DOCUMENT RESUME

ED 417 305 CE 076 012

TITLE	Cooperation with the World of Work in Technical and Vocational Education: A. The Policy Level--Studies from Hungary, Romania, and Sweden and B-- The Institution Level--A Study from the Russian Federation.
INSTITUTION	United Nations Educational, Scientific, and Cultural Organization, Berlin (Germany).
REPORT NO	ED/IUG/007
PUB DATE	1998-00-00
NOTE	88p.; Product of the International Project on Technical and Vocational Education (UNEVOC).
PUB TYPE	Reports - Research (143)
EDRS PRICE	MF01/PC04 Plus Postage.
DESCRIPTORS	*Articulation (Education); Case Studies; Comparative Analysis; Cooperative Planning; Economic Change; *Education Work Relationship; Educational Change; Educational Cooperation; Educational Legislation; *Educational Policy; *Educational Practices; Foreign Countries; Government Role; Government School Relationship; *Institutional Cooperation; Labor Market; Policy Formation; Secondary Education; Social Change; *Vocational Education
IDENTIFIERS	Hungary; Romania; Russia; Sweden

ABSTRACT

This document contains a synthesis paper and four case studies of cooperation with the world of work in vocational and technical education (VTE) in Hungary, Romania, Russia, and Sweden. "Synthesis" (R. Barry Hobart) considers the common social and economic variables affecting VTE in the four study countries. The three case studies focusing on cooperation at the policy level are as follows: "The Policy Level: Hungary" (Andras Benedek); "The Policy Level: Romania" (Cesar Birzea, Mihaela Jigau, Florentina Anghel); and "The Policy Level: Sweden" (Nils Friberg, Marianne Lindberg). Among the topics discussed in those papers are the following: socioeconomic transitions during the past decade; new actors and priorities; changes in legislation; labor market training and continuing vocational education; and cooperation between enterprises and professional training institutions. The fourth case study, "The Institution Level: The Russian Federation" (Institute for Development of Vocational Education of the Russian Federation), examines the following: primary factors capable of affecting cooperation among professional training and education establishments and enterprises; instruments of cooperation; barriers hampering cooperation; cooperation in training the unemployed and jobless population; and inductive measures for promoting cooperation between educational institutions and enterprises at the level of training. (MN)

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International Project on Technical and Vocational Education
Projet international pour l'enseignement technique et professionnel

ED 417 305

Cooperation with the World of Work in Technical and Vocational Education

A. The Policy Level
Studies from Hungary, Romania, and Sweden

B. The Institution Level
A Study from the Russian Federation

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This document was prepared by UNESCO's UNEVOC Implementation Unit in Berlin
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Cooperation with the World of Work in Technical and Vocational Education

A. The Policy Level
Studies from Hungary, Romania, and Sweden

B. The Institution Level
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Foreword

The changing world of work is of enormous concern and relevance to learning in general and to technical and vocational education in particular. This was, once again, underlined at UNESCO's Fifth International Conference on Adult Education held in Hamburg, Germany, in July 1997.

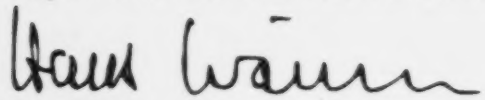
Thus, close cooperation between technical and vocational education institutions and the world of work is one of the key parameters that determine the relevance of education for the world of work.

Mechanisms of cooperation vary considerably worldwide. UNESCO has, within its UNEVOC Project, initiated a series of studies on existing approaches. For example, in the Arab States, studies have been carried out in Bahrain, Egypt, Jordan, Lebanon, Sudan and Tunisia.

For the European region, UNESCO is now presenting four studies on cooperation between technical and vocational education institutions and the world of work. They have been carried out in Hungary, Romania, the Russian Federation and Sweden. The studies from Hungary, Romania and Sweden focus on policies and legislation in technical and vocational education to enhance cooperation with the world of work. The study from the Russian Federation concentrates on various aspects of cooperation on the implementation of such policies at the level of the training institution and the individual enterprise.

The studies have been carried out by experts from Hungary, Romania, the Russian Federation and Sweden on the basis of guidelines by Dr R. Barry Hobart, Consultant to UNESCO. Dr Hobart has also prepared the synthesis of the four studies.

We are grateful to all who have offered to share their experience with others in the UNEVOC Network and beyond. I hope this publication will facilitate the development of ideas and strategies to enhance cooperation between technical and vocational education institutions in Member States.



Hans Krönner
Chief, UNEVOC Berlin
UNESCO

Synthesis

This synthesis has been prepared by Dr R. Barry HOBART, UNESCO Consultant for the UNEVOC Project, and former Professor of Human Resource Development at the University of South Australia.

This synthesis is designed to introduce you to the common variables that are operating with respect to education for the world of work in each of the case studies included. To give an understanding of these variables greater value to the reader, the approach to them in the countries addressed in this publication is compared and contrasted. However, the synthesis is only designed to wet your appetite to make a deeper and more perceptive study of each of the case studies. Only then will their potential value be fully realised. Much has been left unsaid. But it is hoped that enough of the material has been addressed with sufficient analysis to serve as an inviting introduction to a deeper study and analysis of the whole publication. I am sure you will find such a study of considerable value.

Change

The four case studies analysed in this synthesis report significant impact as a result of change. Even **Sweden** in its case study reports that as part of a general trend in the Swedish society towards decentralisation of responsibility and the decision-making powers, the education system has undergone fundamental changes in the decade of the 90s. **Hungary** reports that, at the policy level, the changes it has experienced in the late 80s and 90s have caused new challenges for its labour market and for its technical and vocational education. In **Romania** major changes in the social and economic environments of vocational education are fundamentally affecting the present state of vocational education. Further the impact of these changes are attributed, in part, to the collapse of the command economy. As a result both enterprises and vocational education and training have had to face crises. The steps towards the transition to a market economy, which were taken as early as 1990 in Romania, greatly affected the relationships of technical and vocational education with private enterprise. This challenge of change to technical and vocational education is seen as a potential source of unemployment, which has been on the rise in all the countries. An important reason for this in the transitions economies is given as the results of enterprise restructuring. Technical and vocational education has had no choice but to adjust to these changed market and social conditions.

Economy - Moves towards the market economy

By far the biggest issue that is addressed in each of the case studies is that of the changing economy and the effect that these changes have on education for the world of work. This is particularly so in the transition economies. This transformation to market economies pervades all the case studies relating to the transition economies. But even in the structure of the **Swedish** economy, the changes that have resulted are also claimed to have had a significant impact on employment, and the education system. In **Hungary**, for instance, it is stated that from 1990 on, the process of building up a market economy caused a radical redistribution of the ownership of industry and business, and initially it caused economic depression and mass unemployment. Youth unemployment in Hungary was especially high. The 15-24 age group accounted for 16 % of all earners and for 29 % of the unemployed. However, following the decision in that country to introduce a market economy, the necessary legal conditions were gradually established. The role of the Government in Hungary was significantly transformed at the time of the formation of a market economy. As a consequence Hungary placed a high priority on the competitiveness of its economy and accelerated the process of modernising the content and structure of technical and vocational education in branches and professions where there was a reasonable chance of improving the international economic positions to a significant degree.

The impact of change to the market economy in **Romania** had similar affects. The gross domestic product declined in the first three years of the transition. Inflation and unemployment rose dramatically. Some adjustments to this impact were taken in Romania by the transition being marked by a gradual disengagement of the State in order that the labour market would assume its former role as the demand-supply regulator. Therefore, legal measures were taken which aimed, on the one hand, at providing social security to the most vul-

nerable segments of the population in a market economy and, on the other hand, at stimulating economic enterprises and training institutions to make skilled labour more competitive. In addition, private ownership in the business sector is larger than many people realise, some 85 % and increasing.

One can imagine the impact that these economic changes have on technical and vocational education when it is realised that in a country like **Hungary**, secondary vocational training represents nearly 80 % of the secondary education and is perhaps the biggest sub-system of the entire educational system. On the other hand, in the last three decades of this century by far the largest growth in jobs in **Sweden** has taken place in the public sector. Private enterprise accounts for 62 % of employment in Sweden today, and the public sector 38 %.

However, all this radical economic change, even in Sweden, has some significant negative affects. It is stated that in the **Russian Federation** instability and inflation are tending to destroy not only industry, but also other important branches of the economy in general.

Economy - the trauma of mass unemployment

The problem of unemployment is reiterated again and again. It is stated that in **Hungary** the education system is regarded as the main channel for social mobility. Yet, at the same time, technical and vocational education has encountered significant difficulties because of the transition of the economy and the resulting new phenomenon of mass unemployment. This problem is exacerbated by the fact that 42 % of the unemployed do not have any vocational skills and, thus, such persons are exposed to the danger of long-term unemployment. This particular problem of unemployment among youth at the beginning of their working lives and the retraining of adults have required up-to-date legislation. However, the response in Hungary has been positive. The training system for unemployed people has developed very fast during the past four to five years. This development was significantly affected by mass unemployment, as well as by an educational training culture which has extremely rich traditions and operates institutions which also have a long history in the field of special training. But, labour market training is not the only means of implementing an effective employment policy. Nevertheless, it can be considered a significant factor that mitigates against the struggle of the people against unemployment. Yet, as a consequence of mass redundancies, due to the reorganisation of business and industry, Hungarian technical and vocational education has been in a fundamental crisis. Consequently; the traditional content of vocational education has become increasingly irrelevant

In **Romania** the same problem of unemployment is recognised. Inflation has risen dramatically (at a rate of 31 % in the twelve months of 1994), and with it, so has unemployment. At the end of 1994 unemployment among the under 25-year olds reached the high level of 42 % of Romania's total unemployment. An important factor in this phenomenon is that large-industry privatisation, which began in 1995. This is expected to put more people out of work, thus raising the share of industrial unemployment even more. Also, it is claimed that the privatisation process and price liberalisation has caused unemployment. Thus, requalification and training of the unemployed have become important priorities of the new Government of Romania.

Big state-owned enterprises in Romania are most heavily hit by recession and economic restructuring. They are the major source of unemployment (over 80 %). As a consequence they have a special need for training and retraining of their personnel. Difficulties with respect to making training an answer to this problem of unemployment are caused by the fact that the enterprises that offer such training programmes must provide jobs for the people who take part in them. Yet, even though this is a requirement, the end result is that only 20 % of the unemployed who complete a training programme can find employment. In an effort to address this problem an 'allowance grant' has been introduced for long-term unemployed; that is, those who, after having benefited from the unemployment payment and corresponding qualification/re-qualification courses, still fail to find employment. The allowance grant is paid for a period of 18 months, during which the beneficiaries can attend

qualification/re-qualification courses. This provision is also applied to school leavers who previously benefited from the unemployment payment. Another effort to address this problem in Romania is the Government's decision to require county labour and social security directorates to provide training and retraining programmes for the unemployed. The programmes are offered in regional public centres, vocational schools (under contract) or autonomous centres run by economic units, for a duration of up to nine months.

Even in **Sweden** in the 1990s the situation of the labour market deteriorated sharply due to the repercussions of the economic crisis experienced by Sweden. There has been a dramatic increase in registered unemployment from 1.6 % in 1990 to about 8 % in 1993 and 1994. During the past three years, employment has decreased by more than 500,000 individuals. The main sectors affected by this massive downsizing process have been manufacturing and construction. Due to the sharp rise in unemployment, the role of labour market policy in economic restructuring in Sweden was even more emphasised during the early 1990s. As a second priority, unemployed persons must also be enrolled in labour market training programmes.

Economy - resulting socio-economic transformation

Hungary has gone through significant socio-economic transformation processes in recent years. The main aim of the economic transformation is to establish the institutional, legal and financial conditions for the development of the market economy. In this regard the development and efficient utilisation of human resources has strategic significance for Hungary's ability to compete in international markets because the country has limited natural resources. The present transformation of the Hungarian technical and vocational education system illustrates how much effort it takes for countries that have to cope with transition to a market economy.

Similarly, the decline in **Romania** of economic enterprise did not only involve well-known social effects (unemployment, inequality, chronic insolvency and the anxiety that results from these social traumas) but also it resulted in the deterioration of technical and vocational education. It is asserted within the relevant case study that a balance between training, retraining, and labour market demands has still to be achieved in Romania. Moreover, the protracted crisis of the old system has been aggravated by the social costs and the harshness of the economic reform. The programmes implemented have had only limited effects as they have not altered the relationships between the labour market and educational institutions, in any significant way. It would appear that the new programmes that have been implemented seem powerless to improve substantially the relationships between economic enterprises and education/training and re-training institutions. This can partly be explained by the fact that, after the retreat of the absolute regulator - that is the Socialist State - as the sole owner of economic enterprises and educational institutions, the technical and vocational education system found itself separated from the economic system. However, proactive social policies that pursue an increasing labour demand have been developed. These aim, on the one hand, at making young graduates, who are joining the labour market, more competitive in terms of their professional skills by providing better training within the education system and, on the other hand, by providing training and retraining for those already in employment.

Thus, as a result of the compounded economic crisis in **Romania**, vocational education in the early nineties had to be carried on in an unfavourable socio-economic setting marked by:

- political instability
- an inefficient, backward, and steadily deteriorating economy
- growing unemployment
- social inequality
- a severe state budgetary crisis
- distinctly weaker social services, and
- an increasing dissatisfaction and apathy of the population.

In contrast, labour market education and training in **Sweden**, that has been provided directly to the unemployed individual, has been the most important tool for influencing labour supply. The primary purpose of this strategy has been to help those who are jobless, or at risk of losing their

jobs, to refresh or to gain the skills that are necessary to find work. This policy is an expression of the fundamental principle of the Swedish education system that insists that all children and young persons shall have equal access to education, regardless of ethnic or social background or place of residence.

Co-operation between technical and vocational educational institutions and enterprise

The issue of effective co-operation between educational institutions and the world of work is universally accepted as of primary importance to the effectiveness and efficiency of preparing people for the world of work, and maintaining their efficiency within it. Thus, each of the case studies addressed this issue in one way or another.

This is demonstrated in **Hungary** by the fact that the basic policy of the Vocational Training Act is to ensure that the market economy makes every effort to improve the links between vocational training and the world of work. An example of such a link is that the Chambers of Commerce supervises on-the-job training, it concludes contracts with trainees, and also represents the interests of particular relevant trades or professions during qualification examinations. Further co-operation is revealed by the fact that in Hungary the State must ensure access to education, while economic enterprises and organisations are in charge of practical training. Further, the participation of social partners in these programmes is not just a formality. They work very intensively in the various relevant committees. A network of centres responsible for training has been created that has resulted in the connection of the centres with technical and vocational educational institutions, especially with schools. This has resulted in a continually improved relationship. One basic reason for this has been that the traditional schools are happy to use the modern tools and modular-system curricula of the centres, while, at the same time, they contribute effectively to theoretical or basic education of the centres. While technical and vocational education has traditionally been linked to the general training system, nevertheless an increasingly close contact with the economy and the world of labour is developing. This is essentially a new development in Hungary.

A difficulty in **Romania** with co-operation is that small and medium-sized private businesses prefer to hire young people as soon as they graduate from school rather than undertake the responsibility of retraining experienced labourers who have been made redundant by state enterprises. Also, a difficulty in the appropriate selection of young people for training that may be within their particular interest is that apprentice training is done by taking parents' interests, not market demand, into account. Quite often, apprenticeship is seen by employers as a source of cheap labour rather than a vocational training programme. On the other hand, enterprises having been freed from the constraints of having to support financially and to employ technical and vocational education graduates, they have become even more demanding in their relationships with the education system. As a consequence, against the background of changes in the economic system as a whole, there have developed great differences in the relationships between enterprises and educational institutions. However, relationships vary depending on the economic sector and the kind of enterprise that is affected. Thus, a wide range of actors are involved in the relationship between the economic and the education systems. There is, however, no direct legislation in Romania for co-operation between technical/vocational education and the world of work. It is to be regretted that research done at the National Research Institute for Economics shows that labour unions are not genuinely concerned with the vocational training of labour. They tend to concentrate on immediate salary claims.

In **Sweden** in 1938 the Svenska Arbetsgivareföreningen - SAF (Swedish Employers Confederation) and the Landsorganisation (LO) concluded the Saltsjöbaden Agreement that workers were entitled to form organisations and to negotiate. This agreement was a sort of 'peace treaty' that regulated the relations between labour and management with regard to wage negotiations and industrial conflicts. During the 1940s a number of basic agreements concerning blue-collar workers were signed concerning safety and health, vocational training, and work councils, including both employer and union representatives. During the 1950s, similar agreements were concluded concerning white-collar workers. Because of these agreements and the co-operative 'spirit of

Salsjöbaden' between labour and management was being applied and, thus, the number of conflicts on the Swedish labour market remained low for several decades. Employers and unions have been regarded as strong enough to reach their own agreements on pay and other conditions of employment. But, due to taxation policy, the inflation rate, and the lack of increases in real pay there have been growing interference from the government on these issues over the decade of the 90s. From 1993 on, negotiations have been carried out entirely on the individual branch level between national employers' associations and national trade unions.

In Sweden, school contact with the world of work has been extensively discussed for a long time. It could be said that everybody seems to agree that school contacts with industrial life are extremely important. It is thought necessary that these contacts exist simultaneously at different levels, even if they are not regulated by any law.

Five core elements of improving this contact are:

- Work-place training which is a vital part of the contact between upper secondary education and the world of work.
- The new apprenticeship training is also an example of the school's new approach to working life.
- Knowledge centres that are primarily based on the co-operation at municipal level, regarding equipment and premises.
- The new role of teachers in vocational training that has resulted from a new curriculum, issued in 1993. The fundamental idea behind the proposal is that co-operation must extensively be developed between upper secondary education and the world of work.
- The invitation of private enterprises to submit tenders for carrying out parts of municipal vocational training in-house.

An aspect of co-operation in the **Russian Federation** is that trade unions who consider workers' training an important matter always consider it when concluding contracts with employers and when presenting their demands.

Teaching/Learning Strategies

The importance of teaching/learning strategies that includes a component of on-the-job training is being increasingly recognised. Yet, in **Hungary**, it is most noteworthy that during the crisis period from 1990 on, the number of trainees at school based training workshops increased by nearly 40 % while the number of those getting their work experience at company operated workshops or doing on-the-job training declined by 35 %. However, on-the-job training does take place on the basis of a written agreement concluded by and between the apprentice and the business enterprise. By virtue of the apprenticeship contract such organisations must provide on-the-job training for the apprentice for the whole duration of the training.

But there has been an improvement of hands-on training opportunities in schools. Between 1990 and 1994, small enterprises and the private sector emerged as major providers of such training posts, and second only to the schools, these are the most important places where vocational trainees receive on-the-job training.

Practical training is a priority for the technical and vocational education reform in **Romania**. Apprenticeship training is also organised in the vocational schools. The curricula, which once used to be fairly uniform in structure, are more varied now in terms of content because in the National Qualifications Legislation more and more differentiated vocational qualifications appear. According to the National Qualifications Legislation issued in 1994, about 370 different vocational qualifications can be obtained in technical and vocational education institutes. Adjustment and flexibility can be observed in the profiles of technical and vocational education, in the main training sectors that are addressed by these centres, and in their programmes, which have a predominantly modular structure. Therefore, general elements that are required in order to improve the competitiveness of the market, and the necessity of a constant monitoring of the technological change and improvement must be reflected in the programmes of school-based technical and vocational education and be incorporated in the basic stages of on-the-job training as well.

A new training model in **Hungary**, which - in contrast to previous practice - integrates general and vocational skills in order to meet user demand and improves the chances of employment of school leavers by introducing specialisations after students have received their general Grammar School education (GCSE), has been launched.

In order to finance the reform of technical and vocational education, the Government of **Romania** initiated two international projects in co-operation with the World Bank and EU-PHARE, respectively. In order to decentralise curricula and vocational training; under the PHARE programme, the new technical and vocational education curricula will be developed in 25 pilot schools - one for each occupational family. Continuing vocational education is less structured than the school system. Instead, it is more diversified, larger, and more flexible.

In Sweden, the programmes primarily consist of vocational training, but they may also include orientation courses or general academic studies that are needed before beginning vocational training. Another important tool for addressing effective training for the world of work is the labour market institute in each county, whose task is to help jobseekers who need occupationally oriented rehabilitation and/or extensive counselling. This transition to goal and result-oriented steering of the education system requires the national and municipal authorities as well as administrators in individual schools to follow up systematically and to evaluate educational activities in relation to the goals and guidelines that apply to them.

Professional education in industry in the **Russian Federation** can be subdivided into:

- Apprenticeship (young workers without a profession).
- On-the-job upgrading system that is designed develop continuously the professional capabilities of workers).
- Retraining that is designed to assist a person the acquire a new profession because of a necessity to reorganise production.
- Initiative education that is aimed at a person acquiring contiguous (a second, third, etc.) profession.
- Compulsory educational programmes that are designed to develop the protection of labour and application of safety measures.

Legislation

The Vocational Training Act (VTA) was accepted by the **Hungarian** Parliament in 1993. The Hungarian Parliament passed also - almost simultaneously with the VTA - separate acts on public education and higher education.

The Constitution of **Romania**, passed in December 1991, stipulates the right to education as one of the fundamental rights of the citizens. The Law of Education was passed on 24 July 1995. Both Law No. 1/1991 and Law No. 72/1991 were also passed.

In **Sweden**, legislation that provides for an employment exchange that has access to the whole array of labour market and skill-enhancement programmes is the fundamental instrument of government labour market policy. Its primary purpose is to create a closer correlation between labour supply and demand. Its main tasks are job placement and vocational guidance. The overall responsibility for labour market policy rests with Sweden's Parliament and Government. Within the Government it is entrusted to the Ministry of Labour. The National Labour Market Board (AMS) is the central administrative agency in charge of general labour market matters and operates through the county labour boards. However, over the years Sweden's Government has pursued a policy of non-intervention in salary negotiations.

With the exception of the University of Agricultural Sciences, which is under the responsibility of the Ministry of Agriculture, and labour market education and training, which is under control of the Ministry of Labour, all public education is the responsibility of the Ministry of Education and Science. Pre-schooling is not considered to belong to public education and is the responsibility of the Ministry of Health and Social Affairs.

In the **Russian Federation** the Law 'On Education', the second revision of which was approved on 13 January 1996, envisages that the State guarantees the annual allocation of funds for education, amounting to not less than 10 % of the national

income. However, the proportion of enterprise expenditures on vocational training of personnel has been very insignificant, an average of 0.3 % of the total of the expenditures on labour force among the surveyed organisations. The legislation of the Russian Federation on education comprises the Constitution, the Law 'On Education', and other laws and regulations deriving from it both at the Federal and Regional levels.

Teachers

The problem of effective teacher education for the world of work is endemic. However, it is increasingly coming to the fore in terms of recognising the high correlation between good teachers and effective education for the world of work. With respect to such teachers, in **Hungary** the typical conflictive topics are: the security of employment of teachers who already work in educational institutions and/or the protection of state-owned institutions from the impact of the market. However, the questions of the transformation of the role of teachers still needs to be addressed.

In the **Russian Federation** a similar problem exists, as in many parts of the world, that teachers with out-dated views who cannot meet present-day requirements are a serious barrier in the co-operation of educational institutions and enterprises. In order to make employers confident about the potential and capabilities of technical and vocational teachers/trainers, it is necessary, above all, to improve the quality of their education as well as the potential and image of the educational establishments in which they are trained. It is important that the fundamental academic education of teachers/trainers is closely linked with applied practical knowledge and skills. Training programmes need to be periodically revised in order to achieve a higher degree of future-orientation.

Status

The place, role and socio-economic prestige of technical and vocational education in **Hungary** have significantly changed during the last years. While technical and vocational education was something of a 'backyard' in the educational system for years, it now enjoys a considerable prestige. This phenomenon is not true of all the countries addressed in the case studies.

This inadequate concept of the importance of education for the world of work is seen in the **Russian Federation,** where barriers for high-quality staffing of educational establishments not only include financial problems, but also the underestimation of the role of continuous personnel training by some managers.

Focus of education for the world of work

As the various case studies reveal, the focus of education for the world of work is changing significantly as the world economy changes, and as education itself is affected by these changes. In **Sweden**, for instance, this focus has traditionally been on the secondary school. Yet, the case study of that country reveals an increase in post-secondary education institutions assuming significant roles, and various ministries and Non-Government Organisation (NGOs). In the **former socialist countries** there has been a greater tradition of association between school and the world of work. However, the education experienced in these countries has tended to be so traditional that it has become increasingly irrelevant to the needs of the world of work. So, while there is some degree of reluctance for industry to assume its role in this area, in some of these countries, each is nevertheless being challenged to become increasingly engaged in the responsibility to offer training for the world of work, and for up-grading the competencies of those already engaged in the world of work, or who are experiencing the tragedy of unemployment. Thus, the responsibility for this area of human endeavour is being greatly broadened within the economy and society of all the countries addressed in the case studies in this publication. And this is a phenomenon that is true the world over. Without doubt, the broadening of this focus will continue as the world economy changes as radically and with the speed that it has over the past decade.

Greater details of these phenomena can be obtained by a study of each of the case studies. It is certain that they will enlighten the readers and lead to closer exchange of information and ideas among the countries that may well result in policies and planning that will significantly benefit education for the world of work.

The Policy Level: Hungary

This study has been prepared by Dr András BENEDEK, Deputy State Secretary of the Ministry of Labour in Budapest.

CRI	Council for the Reconciliation of Interest
HUF	Hungarian Forint
LMC	Labour Market Committee
MCE	Ministry of Culture and Education
MOL	Ministry of Labour
NCC	National Core Curriculum
NCRI	National Council for the Reconciliation of Interest
IPOSZ	National Federation of Industrial Handicrafts Associations
NIVE	National Institute of Vocational Education
NQL	National Qualification List
NTC	National Training Council
PHARE	Poland and Hungary-Assistance for Restructuring the Economy
RMDRCs	Regional Manpower Development and Retraining Center
SMEs	Small and Medium Enterprises
VTA	Vocational Training Act
VTF	Vocational Training Fund

Abbreviations

1 Introduction

Recently, Hungary has undergone a rapid process of economic changes, just as other East European countries have. The historical changes in Hungary have caused new challenges for its labour market and for its technical and vocational education. In recent times, the researchers, planners and decision-makers of technical and vocational education policy have become more and more aware of the correlation between economic transition and human resource development. The education system is regarded as the main channel for social mobility; but at the same time technical and vocational education has encountered difficulties because of the transition of our economy and the new phenomenon of mass unemployment.

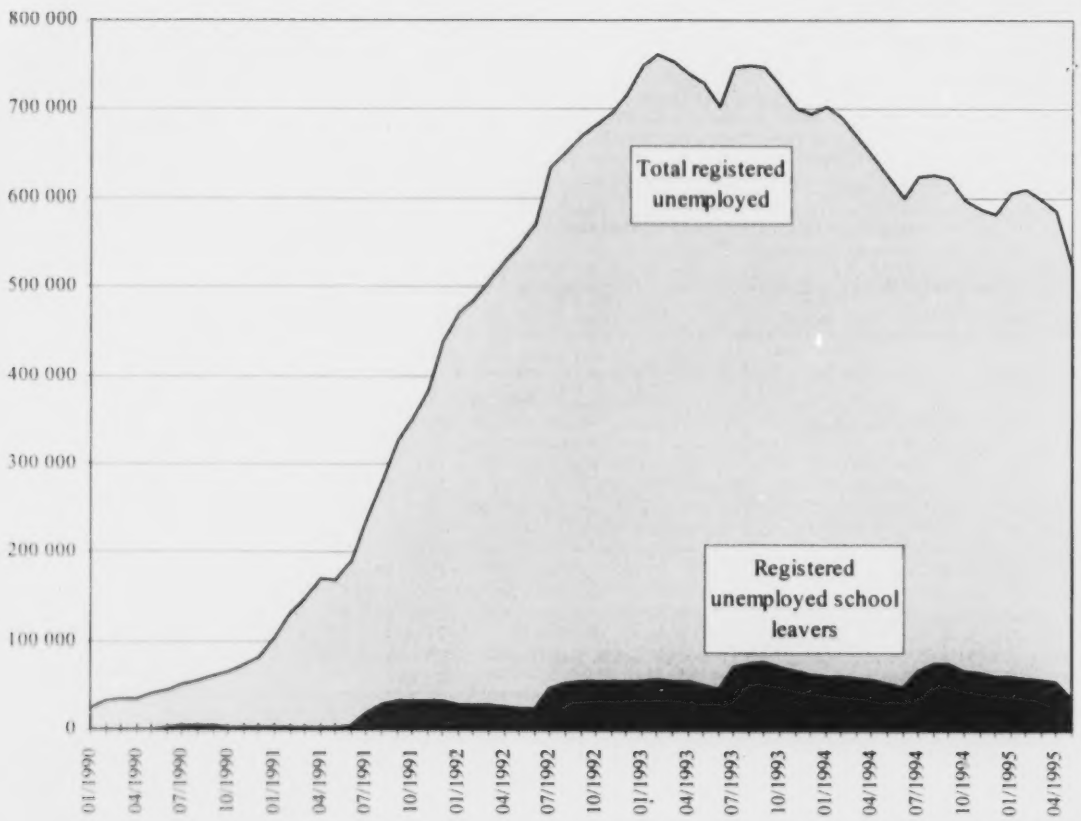


Table 1
Total of registered unemployed and registered unemployed school leavers
January 1990 to July 1995

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One might consider the case of Hungary in connection with the object of developing a competitive market economy, since the concept of technical and vocational education has undergone essential changes and the reforms have already shown first results regarding the adaptation to the new socio-economic conditions. Of course, the reform of the technical and vocational education system is only a part of the solution to these problems. However, this Hungarian case study may still prove to be valuable to others who are also looking for solutions to similar problems.

2 The Period of Transition

After having submitted to the European Union an application for full membership and concluded a treaty of association with the EU in 1995, Hungary has gone through a significant socio-economic transformation process in recent years. The Hungarian economy, which had developed on the basis of central directives for decades, came to a serious crisis in the eighties. The GDP decreased by 20 % between 1989 and 1993 and the annual inflation rate has varied from 15-30 %. From 1990 on, the process of building up a market economy caused a radical redistribution of the ownership of industry and business, but initially, it has caused economic depression and mass unemployment. Youth unemployment is especially high (see Table 1). The 15-24 age group accounts for 16 % of all earners and for 29 % of the unemployed.

Even during the 1980s the Hungarian economy was relatively open to international trade, which, being a proportion of the GDP, has continued to grow, along with the economic reform. The transfer of ownership is reflected in a rapid increase of private businesses in the 1990s. At the end of the eighties the world of work in Hungary was almost exclusively state-owned and consisted of some 2,000 companies. Although private production and trade were part of the Hungarian economy, they accounted for only 5 % of the GDP in the eighties. There are now more than one million enterprises, and the private sector accounted for 60 % of the GDP in 1994. The labour structure in this new environment is as follows: 74 % of the businesses have less than 10 employees. 20 % of them have 11-50 workers and only 6 % of them have more than 50 employees.

The main aim of an economic transformation is to establish the institutions and legal-financial conditions of the market economy. In this regard the

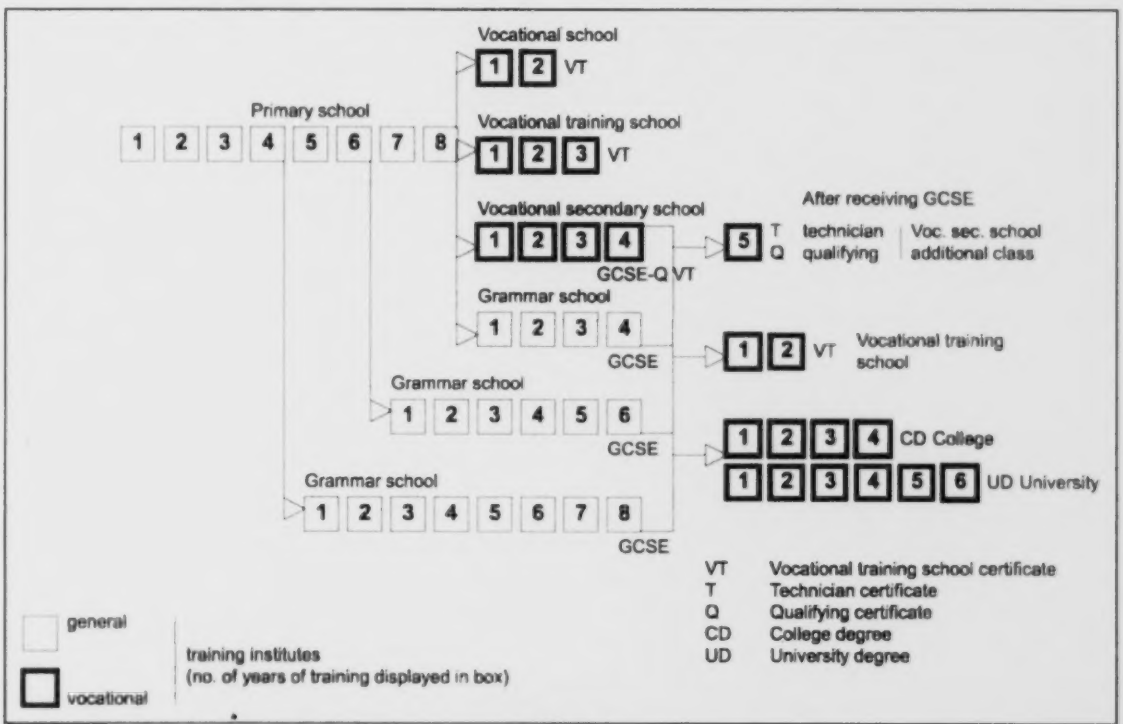

Table 2
The traditional structure of Hungarian general and vocational education and its access and exit points

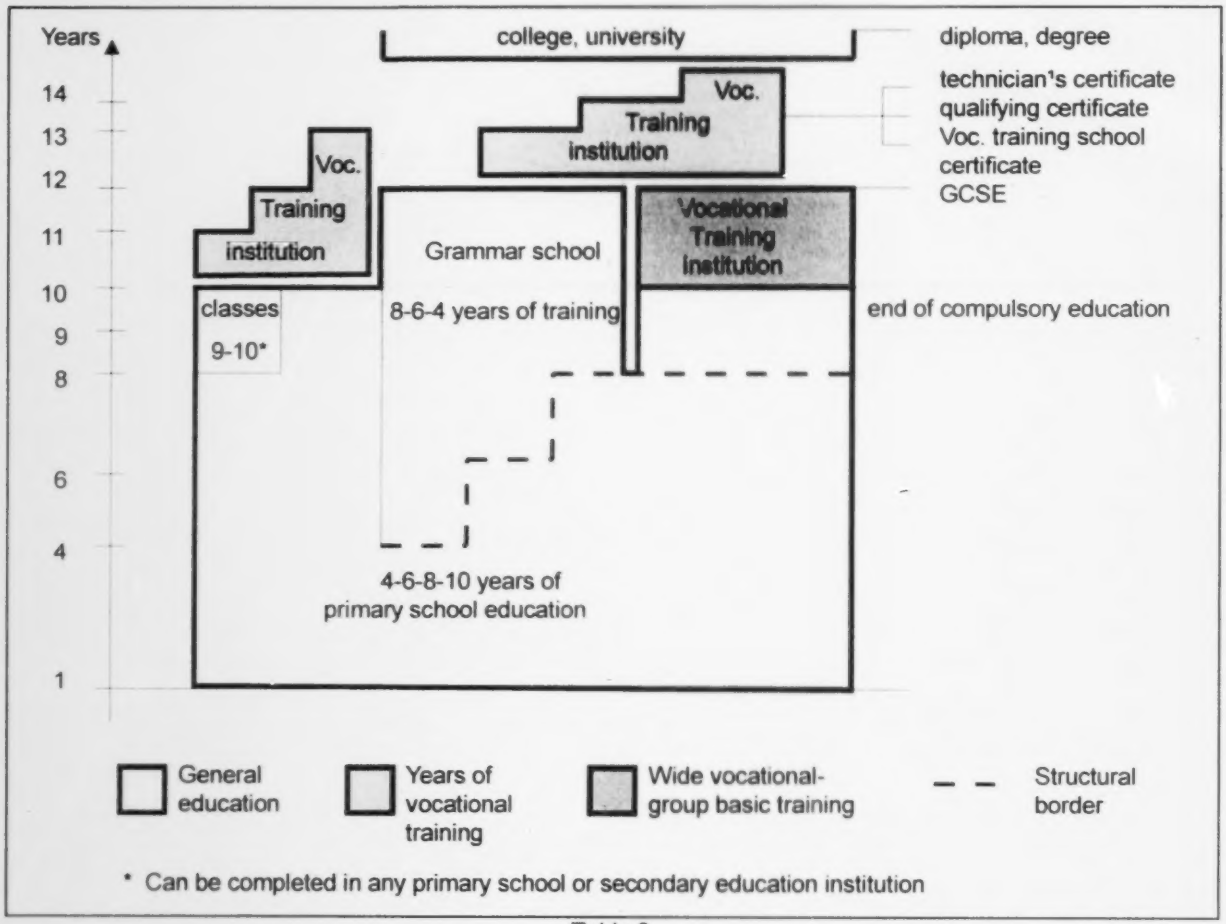

Table 3
The Hungarian school system according to the Public Education Act and the Vocational Training Act (VTA), 1993

development and efficient utilization of human resources has strategic significance for Hungary's ability to compete in international markets because the country has limited natural resources. As a result of this and of a legal and institutional reform, technical and vocational education has enjoyed accelerating investment.

The Hungarian technical and vocational education system has traditions which reach back to the mid-nineteenth century. Early on it was rooted in German traditions and such classical apprentice training institutions were operating between 1843 and 1948. While the modern forms of a secondary school system have been present since the turn of the century, the attempts to introduce an up-to-date technical and vocational education system that complies with the requirements of a market economy may be considered as a unique model within the eastern European region.

The description of the Hungarian technical and vocational education system is not an easy task because it is undergoing constant changes. The traditional structure (Table 2) coexists with an emerging system formed in accordance with modern concepts and new regulations (Table 3).

Instead of the traditional eight grade general education it is intended that ten year general education will be established by 1998. This ten year general education period will take place in "general schools", in four-, six-, and eight-form secondary grammar schools and in vocational secondary schools, which already receive 14 year old students. The contents and requirements of compulsory education for the age group 6-16 will be determined by the National Core Curriculum (NCC) that will be introduced in the near future.

The traditional system provided a strong and highly estimated technical and vocational educa-

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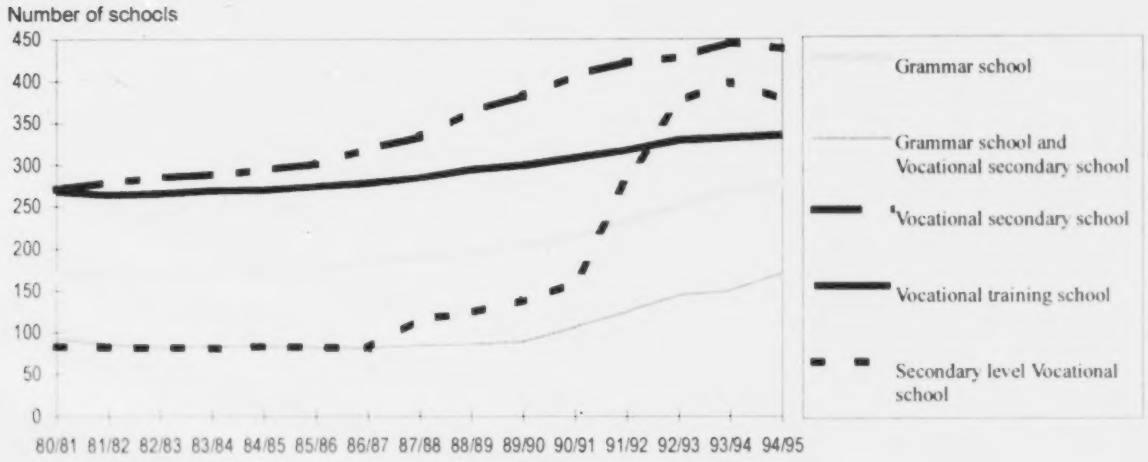

Table 4
Number of secondary educational institutions between 1980/81-1994/95

tion. This is partly because 75-78 % of general school graduates start further studies in secondary vocational schools. During the past 15 years, the number of technical and vocational educational institutions has been increasing (see Table 4), and their present number adds up to 1,300. Around 400,000 full-time students study in the technical and vocational education system.

It is important to show the present correlation between technical and vocational education and employment because a significant portion of qualified labour is trained in this system (see Table 5).

About 75 % of the workforce that consists of 3.9 million active workers as a whole have qualifications, and a share of 31 % of these is composed of skilled workers and secondary school graduates. University and college graduates account for 15 % forming a major contribution to the relatively good qualification level of the Hungarian work-force. 42 % of the unemployed (the total number is 504,312) do not have any vocational skills and such persons are exposed to the danger of long-term unemployment. The number of unemployed school leavers is 58,804.

In the period from 1990 to 1993, the main concern of Hungarian technical and vocational education was to fill the void left by the liquidation of large companies or by their exodus from the domain of practical training. It is most noteworthy that in the crisis management period from 1990 on the number of trainees at school based training workshops has increased by nearly 40 % while the number of those getting their work experience at company operated workshops or doing on-the-job training has declined by 35 %.

3 The Change of Legislation

The creation of the legal and institutional framework of a market economy required extensive legislative activity. Between 1990 and 1995 the Hungarian Parliament adopted a large number of laws, the majority of which related to economic transition in the following areas:

- Product liability;
- agricultural market organization;
- social protection;
- civil aviation;
- employment;
- Chambers of Commerce and Industry;
- vocational training;
- financial institutions and their activities;
- company law;
- local taxes;
- bankruptcy and liquidation;
- prevention of money laundering;
- excise duties;
- labour code.

The National Training Council (tripartite board for the decision on national vocational training policy-making, NTC) was established by the Employment Act in 1991 and enhanced in authority by the VTA in 1993. It imposes a considerable influence on the better adaptation of technical and vocational training to the economic processes.

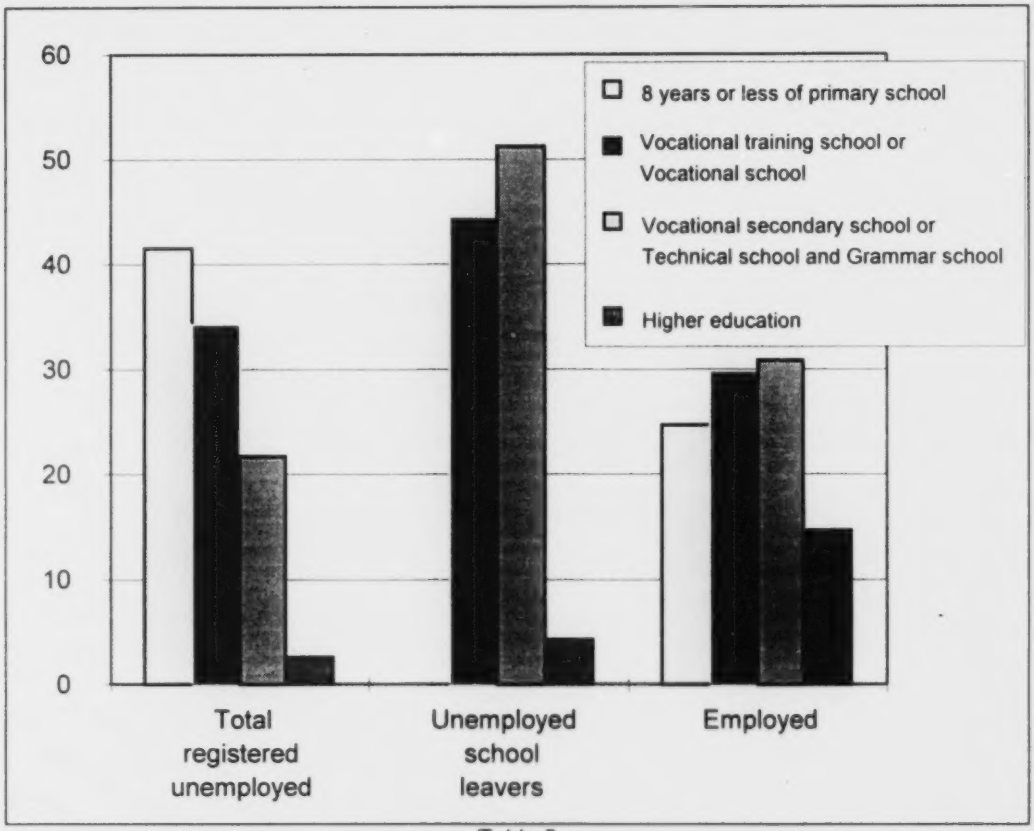

Table 5
Employed, total registered unemployed, and unemployed school leavers by educational qualification, July 1995

Following the decision to introduce a market economy, the necessary legal conditions are gradually being established. Among these the first Vocational Training Act (VTA) was accepted by the Hungarian Parliament in 1993. The basic principles of the VTA are as follows:

- A flexible and differentiated technical and vocational education system should evolve and thus contribute to the development of the economy in compliance with the social processes, the requirements of the national economy, and the labour demand in Hungary.
- In order to assert the right to education ensured by the constitution and to join the work force, young people should be given the opportunity to acquire a first skill and to gain vocational skills as based on the equity necessary for employment.

With some notable exceptions, such as vocational training which qualifies for higher education and/or extra-curricular training in the transport, telecommunication, and water industry, the force of the VTA directed any vocational training at

- the acquisition of a vocational qualification for performing a job, occupation or activity,
- the acquisition of expertise necessary to perform a higher level activity,
- rehabilitative training for the disadvantaged and for those whose ability to work has changed,
- training that is promoting employment and entrepreneurship.

The VTA introduces the National Qualification List (NQL). Vocational qualifications recognized by the State are contained in the NQL. The NQL has to define:

- the name of the vocational qualification,
- the duration of the training required for the acquisition of the vocational qualification within the regular school system, indicating the duration of theoretical and practical training, respectively,
- the prequalification that is required,
- vocational qualifications that may be acquired through individual preparation (home study), moreover

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- the Minister who is authorized to determine the requirements of vocational and examination.

The VTA established a new management system of technical and vocational education. The Ministry of Labour (MOL), in conjunction with the Minister who is responsible for vocational qualifications, runs the National Institute of Vocational Education (NIVE) as a central institute of development and services designed to develop the contents of vocational training, to harmonize domestic and international centres of vocational training information, and to coordinate the labour market and regular training. It is responsible for the continuous development of the occupational structure, for national consultations, for organizing further training for teachers, for organizing school competitions, and for innovations.

The VTA has re-established the apprenticeship contract. On-the-job training may also take place on the basis of a written agreement concluded by and between the apprentice and the business enterprise. By virtue of the apprenticeship contract such organizations shall provide on-the-job training for the apprentice for the whole duration of the training. It will be the responsibility of the organizations to promote the vocational development of the apprentice and to ensure adequate protection for his/her health and safety.

In the apprenticeship contract the business enterprises undertake the obligation to provide the apprentice with on-the-job training and education, corresponding to the uniform vocational requirement, that has to take place at a workplace that proves to be safe for the worker's health. Under the rules of a separate provision of law, the apprentice is entitled to food allowance, work clothes, individual protective equipment (protective clothing), articles for washing, and reimbursement of travel expenses. In addition to this, an apprentice participating in vocational training without an apprenticeship contract is entitled to a remuneration for the duration of continuous vocational practice. The apprentice is to pay 50 % compensation for the value of damages done to the economic organization through his/her negligence.

The Hungarian Parliament passed - almost simultaneously with the VTA - separate acts on public education and higher education. These three laws are on various subjects and of different nature. The Public Education Act regulates the foundation and operation of schools in detail, as well as the students' and teachers' rights and obligations. The VTA was defined, with respect to the transformation of the economy, as a frame law. In October 1995 a partial amendment of the VTA was made.

4 Essential Elements of Policy and Legislation

4.1 Regulations and Measures

- Since 1988 business organizations in Hungary have been obliged to turn 1,5 % of their wage costs to on-the-job training in technical and vocational education for youngsters, and to the development of the training resources. This training obligation may be fulfilled by direct or indirect participation through on the job training, or by payment into the Vocational Training Fund (VTF). Organizations may fulfil these obligations through their own facilities, but must specify the full costs and itemize what portion is to be supported from the levy.
  A training levy may also be spent for training premises, resources and programme development.
- Business organizations offering on-the-job training reclaim such costs as are in excess of their obligations to the VTF. This will encourage companies to participate in vocational training, and will serve for a more equitable distribution among the business enterprises. When costs are reclaimed, account is taken of the scholarship compulsorily provided to the trainees, the trainees' wages and social insurance contributions, work and protective clothing allowances, transport cost reimbursement, the wages and related contributions of the trainers, and the liability insurance costs in relation to the trainees. The MOL reimburses about HUF 1-1.5 billion, annually from the VTF. The remainder of the VTF - some HUF 1,000-1,300 billion per annum - is the main source for the funding of the development of curricula and course materials for vocational training. Institutions involved in such development and training (primarily the NIVE) seek non-repay-

able support through national and county grant applications.

- In order to involve small independent businesses in technical and vocational education, the taxation legislation allows these to reduce their tax bases by HUF 18,000 for each participating trainee.
- Between 1991 and 1995 non-repayable state funding of HUF 200 million per annum was provided to local authorities for the purchase of the training facilities of defunct companies. The VTF set aside HUF 850 million to provide interest free loans on a maximum 10 year maturity basis for the purchase of training workshops. A total of HUF 838 million of this amount has already been granted to applicants by the NTC.
- Since 1993 the VTF has provided operating subsidies to those enterprises which conduct practical vocational training as their main activity. In 1994-95 those organizations received cost subsidy of HUF 20,000 per annum and a single HUF 10,000 reimbursement for tools for each trainee, to a total of HUF 150-200 million. These enterprises are the successors of the state owned training infrastructure, now privatized or disbanded, and their transitional state contributes significantly to the problem of identifying the exact status and supply of on-the-job training. By 1995 the number of such organizations was 56 with on-the-job training of 7,212 trainees performed in 57 vocations by 519 trainers. These new type training organizations bear the mark of an emerging market economy, and although they are non-profit making organizations, they are in touch with production and services at a level which is necessary for the on-the-job training of the participants. Since 1992 these organizations have been joined into an association bearing the name "Association of On-the-job Training Organizations", which undertakes an active role reconciling the conflict of interest in vocational training, and in the solution of professional and economic tasks which arise between training and the world of work.
- Following the occurrence of mass unemployment, Hungary's employment policy has also undertaken a significant role in the reinforcement of the relations between vocational training and the world of work. Since 1990 the governmental task of directing vocational training has moved from the Ministry for Culture and Education (MCE) to the MOL. The MOL helps the unemployed finding work by maintaining up to date statistic as well as information and employment opportunities. Since 1991 the MOL has produced annual reports on the situation of vocational training. In 1995 the report entitled "Vocational Training in Hungary" was also published in an abridged version in English, French, and German.
- Especially during the past decade, unemployment among youngsters at the beginning of their working lives and the retraining of adults have required an up-to-date legislation. The Employment Act passed in 1991 itemizes the forms of subsidy for young career starters, stressing vocational training, apprenticeship support, and assistance in setting up enterprises. Between 1992 and 1995, one third of the total number of registered career starters and unemployed youth participated in labour market training (25,000-36,000 persons). Basing on the decision of the Labour Market Committee (LMC), which represents employees, employers, and the Government, the costs were covered by the Employment Fund.
- The basic principle of the VTA is to secure the requirements of a market economy for improving the links between vocational training and the world of work. The Act thus promotes the increased participation of business organizations in training. The role and the declaration of interests - from the formulation of professional qualifications, over vocational training and examination requirements, to the participation in the work of examination boards - are guaranteed at legislative level. The social and economic significance of these issues may be illustrated by the fact that the recent amendments of the VTA were supported by all parliamentary parties.
- Regulations concerning the Chambers of commerce are the latest elements in the legislative framework, and are currently being introduced. In accordance with these regulations, three national chambers were established in Hungary by the end of 1994: the Hungarian Chamber of Commerce and Industry, the Hungarian Chamber of Agriculture, and the Hungarian Chamber of Craftsmen. These public institu-

tions, which have regional organizations in all the counties, are important allies of the Government policy of strengthening the relationship between the economy and vocational training. The Chambers of commerce supervise on-the-job training, conclude contracts with trainees, and also represent the interests of a certain trade or profession during qualification examinations.

- The Hungarian Constitution guarantees civil rights and freedoms which are an essential condition for a market economy, since they allow freedom of association and travel which are essential for the formation of businesses and foreign trade. With regard to vocational training, the training levy is a legal obligation, and in fact the nature and extent of participation in vocational training is primarily determined by economic rationality. Irrespective of whether the business organizations are private ones or state-owned, apart from the already specified opportunities to reduce their tax assessment, there are no further benefits offered by the State. Similarly, the Government does not support vocational training in the cases of purchase of assets or employment of staff. In this respect, it is necessary to draw attention to the fact that Hungarian secondary vocational training represents nearly 80 % of the secondary education and is perhaps the biggest subsystem of the entire educational system.
- In order to meet the changing training demands, attention has also been paid to the improvement of the conditions of the vocational training schools themselves. Between 1990 and 1994, due to significant developments, the conditions of training at schools have improved. As a whole, the number of training posts at school-based workshops rose by almost 100 % (see Table 6). It was in these academic years that the ratio to school-based vs. factory-based training posts changed in favour of school-based training. In 1994, 52 % of the training posts in training workshops were offered at schools. The occupancy of training posts has also significantly improved: in 1990 there were 537 training posts available for 1,000 students - who received hands-on training at school workshops - whereas in 1994 they amounted to a number of 627.

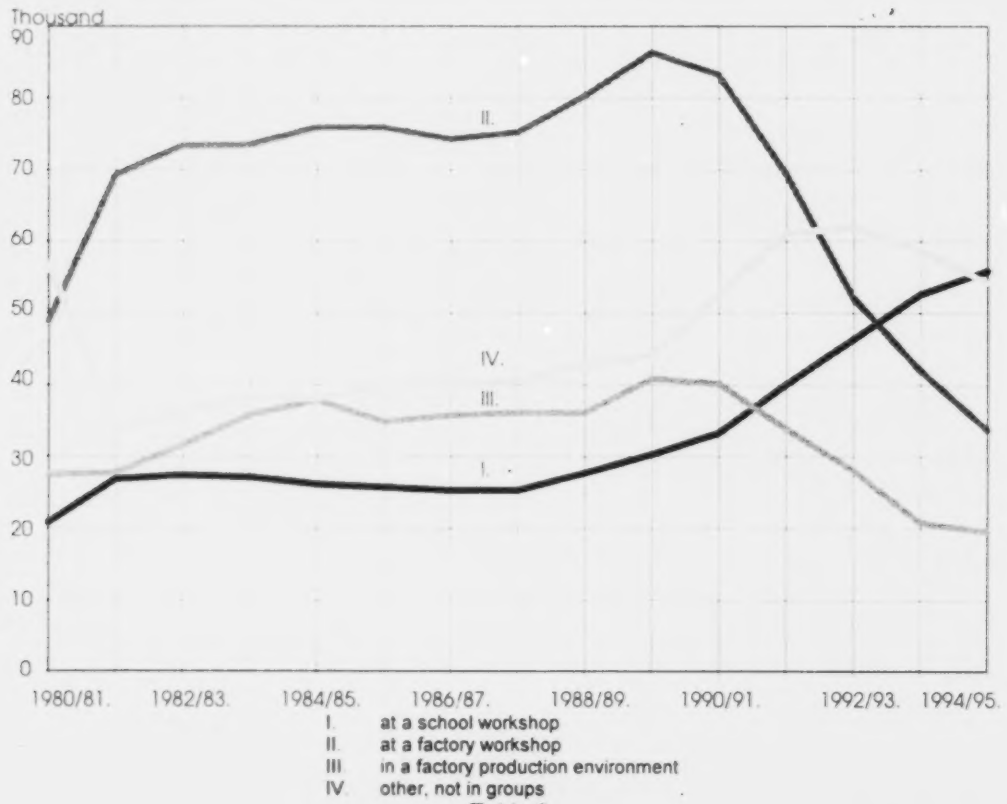


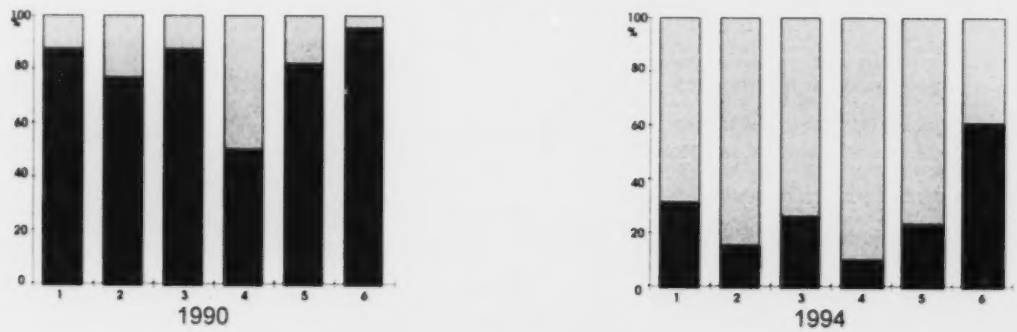
Table 6

The number of vocational trainees according to the place of their hands-on training between 1980/81-1994/95

- The structural change regarding the conditions of hands-on training inside and outside the schools had its reflection in the number of students who received training at various institutions. Table 6 and 7 clearly demonstrate that, between 1980 and 1990, but even in 1990, around 60 % of vocational trainees received on-the-job training at factory workshops, while after 1990 this ratio dropped very quickly to almost 50 % of the previous figure. This change triggered the improvement of the conditions in the schools and, as a result, the number of vocational trainees receiving hands-on training at their own schools has risen by 68 % since 1990.
- In addition to the improvement of hands-on training opportunities in schools, between 1990 and 94 small enterprises and the private sector emerged as major providers of such training posts, and following the schools, these are the second most important places where vocational trainees receive on-the-job training (in 1990 their number was 52,600, 1992 then reached a peak of 62,000 students, today this number has dropped to 54,200).

I. at a school workshop
II. at a factory workshop
III. in a factory production environment
IV. other, not in groups

Table 7
The distribution of vocational trainees according to place of training in the academic years 1990/91 and 1994/95



1 Industry
2 Construction Industry
3 Agriculture/Food Industry
4 Services
5 Commerce/Catering
6 Transport/Communication

small enterprises
co-operatives
companies

Table 8
Participation rates in on-the-job training of different types of economic organizations within a given economic branch

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The ratio of hands-on training provided inside and outside schools - apart from trades that belong to the service sector - has shifted towards training provided at school workshops in almost all economic sectors. The structural change regarding the economic environment and the rapid increase of the number of small enterprises did not equally occur in all economic sectors. Table 8 shows the participation rates in on-the-job training of different types of economic organizations by economic structure.

4.2 Social partners and other agents

In Hungary a tripartite-type National Council for the Reconciliation of Interests (NCRI) was already established in 1988-89. At first it dealt with wage policy and labour law. An institutional structure was only established after 1991 within the framework of the employment policy, and especially in connection with retraining. The present Council for the Reconciliation of Interests (CRI), in which basic labour questions are discussed at the highest level of Government, trade unions, and employers, was established in October 1991, at the time of the so-called "cab strike".

Vocational conciliation is provided by a tripartite board which equally consists of national representatives of employees and employer associations, the chambers of commerce and industries, and of the Ministers who are responsible for vocational qualifications.

The Labour Market Committee (LMC), which consists of the national trade union confederations, the national employer alliances, and the Government, was established in 1991 according to the general scheme of the reconciliation of interests, at the time when mass unemployment emerged. The National Training Council (NTC) was established at the same time under the Employment Act and enhanced in authority in 1993 through the Vocational Training Act (VTA). The main function of the NTC is to manage training resources which have been received from the Employment Fund. In addition to a special horizontal division of work, it also started a vertical one. The horizontal aspect of its character is due to the fact that the LMC hands-on training resources of the Employment Fund to the NTC under certain conditions, and regarding its vertical aspect, in the course of operating the decentralized Employment Fund, training became one of the most dynamically growing instruments of employment policy. In the tripartite organizations with special roles of employers, employees, and local governments, resources are allocated through the county labour boards.

From 1991 to 1994 the majority of training resources, about 90 %, were channelled through the Employment Fund. This meant that the social partners were able to manage these resources at county level within the frame of the county employment policy. At that time training resources were distributed on the basis of tenders. These tenders were managed by the labour administration, the County Labour Council, and the decisions which were brought by the County Labour Board as a result of the tender preparation. The participation of social partners both in the identification of needs and the implementation had a serious purpose within the framework of the NTC. Laws which are concerned with to training are elaborated by the National Qualification List (NQL), which includes the special qualifications recognized by the State, and are also compiled, expanded or reduced by this organization. Apart from that, the NTC also manages central tenders, which generally represent almost 10 % of the training expenses, with an annual cost of HUF 500-400 million, and supervises World Bank programmes; therefore the nine Regional Manpower Development and Retraining Centers (RMDRCs) were established.

The organization referred to as the Supervisory Board of the RMDRCs is not characterized by the self-organized, tripartite-type participation of social partners in training. Similar to the North-American model, the request for membership on the basis of a preliminary consultation has some tripartite character, since employees' representatives also have a role next to the employer and the chamber organizations. The decision mechanism and the board membership organization type is not characterized by the classical tripartite form. The task of these supervisory boards involves the evaluation of the regional training processes, the determination of the training specialization of the training institutes, the preparation of the annual

budget, and the evaluation of the activity of the training center.

In Hungary, the participation of social partners in this programme is not just a formality. They work very intensively in the committees. The law grants significant powers to the boards, authorizing them to make financial and operational decisions. Often this entails serious debates. In addition, certain related features can be found. On the one hand, responsibility for employment programmes and, more significantly, the financial powers of the LMC and the NTC, which are further concentrated through the county labour boards, gives rise to certain conflicts. On the other hand, in spite of the relatively large number of organizations which are involved, the role of the social partners in evaluating training procedures is restricted to follow-up examinations, a fact due to criticism which has been revealed by the different governmental tests and that is not always reacted to, and feedback is very uncertain in this institutional system.

In 1995 social partners began to deal with the question of how to optimize financing of the reconciliation of interests and of training and labour market procedures, what caused a considerable debate. One reason for the change is that employment policy resources have generally been reduced, and such budget restrictions limit the means of implementing the employment policy.

In the current debates, people tend to keep the classical tasks of the reconciliation of interests - conception development, strategy planning and evaluation - within a national framework. At the same time, the majority of operative functions would be transferred to bodies with the chambers, or at certain level, the local governments also participating. Just like the related changes in law and statutes, these debates are in their initial stage. However, several elements of the system which has been described above are expected to be modified in 1995.

In Hungary the training system for unemployed people developed very fast during the last 4 to 5 years. This development was significantly affected by a dramatic change, the emergence of mass unemployment, as well as by an educational training culture which has extremely rich traditions and operates institutions which also have a long history in the field of special training. In each of the last two years about 2.5 % of the active earners and more than 20 % of the registered unemployed people entered the training and retraining system. In Hungary training is a means of employment policy and affects most people.

It is obvious that the training function and its effectiveness is continuously being debated by those who are involved in employment policy and by those who deal with technical and vocational education, i. e. the labour force development. In spite of this, the social needs of both individuals and employers, as well as the endeavours made by all economic sectors clearly demonstrate that in Hungary this development is taking place with different interests clearly being involved and represented.

The **role of the Government** in Hungary was significantly transformed at the time of the formation of a market economy. The main governmental responsibility is borne by the MOL, and the VTA clearly defines its coordinating role within the specialized training system as a whole. Since training in Hungary basically has an exit/exam/qualification character, the Ministries which are involved are also responsible for the quality of professional qualifications. This also applies to the regulation of the content and the administration of examinations. Beyond governmental responsibility, local and county governments have a certain degree of responsibility regarding the field of technical and professional education, especially in the maintenance of schools.

The linkage of training to the world of work is an exclusive course of the Government and local governments. Although for many decades only the Government held the only position of importance in professional training, during recent years new actors have appeared on the scene and exerted a greater and greater influence on the transformation of technical and professional education.

Judged by its impact, the **role of the employers** in technical and vocational education seems to be modest. As we have described in the part about the legislation and the VTF, the employees try to

represent their interests mainly by financial means. This finds its direct expression in the provision of practical training and/or, an indirect one in the financing of school based training. Although the employees have participated in reconciling conflicts of interest, their role as initiators of this process was only reinforced in recent years. This is related to the creation of economic chambers as well as to the public tasks in the field of professional training, such as the like registration of apprentice's contracts, participation in the qualifying commissions, and a country-wide contribution in the support in the area of professional education.

The **role of the trade unions** in the process of the transformation is significant. This mainly effects the economic restructuring that has resulted in a negligible role of the unions in regard to Small and Medium Enterprises (SMEs), in spite of the fact that in these organizations the expansion of employment and the introduction of new technologies are actually being brought about. At the same time the trade unions which for exactly this reason are directly concerned with the declining industries and services, not least in the educational system, have an interest in slowing down a change, and they behave in a way which is appropriate for this purpose; this also applies to the harmonization of interests in professional education. Typical conflictive topics are: the security of employment of teachers who already work in educational institutions and/or the protection of state-owned institutions from the impact of the market.

4.3 The Content of Technical and Vocational Education and the Certification

In Hungarian technical and vocational education there are a traditional curricula regulation and qualification system as related to the examination. Until 1993 technical and vocational education was uniform. Uniform curricula and training periods were applied to the training of apprentices as well as to secondary education. However, the introduction of the NQL in 1994 has transformed the system of state-recognized vocational qualifications into a differentiated qualification system, which is more flexible as to adapting to the market requirements. The essence the of high-level regulation is summarized in the following:

- The current development of technical and vocational education programmes is a rather peculiar one in Hungary. The curricula, which once used to be fairly uniform in structure, are more varied now in terms of content because in the NQL more and more differentiated vocational qualifications appear, but also in respect of the time devoted to theory and practice. The period of training varies from 500 to nearly 3,000 hours, with the ratio of theory to practice varying between 15 : 85 and 60 : 40. Being the most important feature of retraining, the so-called competence-based modular training programmes are adopted to an increasing extent. In respect of coping with people of different ages and with different qualifications as well as work experience, these programmes have been very successfully adapted for vocational retraining, thus having quickly reacted to their users' needs.
- The NIVE, which is engaged in the development of the vocational qualification system, employs about 80 outside consultants from school staffs, in addition to some 100 fellow-workers of its own, who work on the maintenance of the NQL as well as on coordinating the elaboration of central criteria and programmes. The institute is in charge of the coordination of the development of the system of roughly 2,300 different types of text-books for vocational training. It is also responsible for the distribution of these text-books on appointment by the competent ministries. As a result of these activities and also to the establishment of a technical and vocational education information centre in 1992-93 by the help of the Poland and Hungary-Assistance for Restructuring the Economy (PHARE), the NIVE Programme is in direct contact with the technical and vocational education institutes.
- It is an essential criterion for both central and local technical and vocational education programmes that they meet the examination requirements which are made public by the vocations. This aspect is monitored by an examination committee, which is technically independent from the institute which runs the vocational training. The committee consists of a chairman, who himself holds the vocational qualification which is concerned and is appointed by the responsible Minister, and at least two other

members, who are delegated by the Chamber of Trade and Industry and the vocational organizations which are involved.

- Certificates of technical and vocational education, which are recognized by the State, are issued after an examination which is taken in institutions that are designed for such professional training examinations. The exams are monitored by an outside examination commission, whose chairman is a person who has the necessary professional qualifications and is appointed by the Minister who is responsible for this NQL qualification. Another member of the commission is the person who is appointed by the relevant Regional Economic Chamber. The examination commission consists of at least three members. Its professional work is legally delineated from the activities of the specialized educational institution. According to the NQL issued in 1994, about 370 different vocational qualifications can be obtained in technical and vocational education institutes. The number of qualifications that are recognized by the State and can be obtained in retraining and further education within the labour market training system, amounts to about 500; for all of them, the examination procedure is the same.

5 The New Labour Policy in Relation to Technical and Vocational Education

The shift to a market economy in Hungary requires certain skills and, at the same time, a reduction of unemployment. During this economically and socially complex process, new institutions have been established in the field of professional training. The first Regional Manpower Development and Retraining Center (RMDRC) was opened to the public in October 1991, followed by additional centers in 1992-94. There are already nine such centers which work in a network which is managed by the MOL. One can observe adjustment and flexibility in the profiles of technical and vocational education, in the main training sectors which are addressed by these centers, and in their programmes which have a predominantly modular structure.

Recent experiences regarding the efficiency of the RMDRCs clearly indicate that training programmes have a defined role in the improvement of the Hungarian workers' ability to adjust. Labour market training is not the only means of implementing employment policy; it can be considered a factor which influences the measures in the struggle against unemployment, though. This

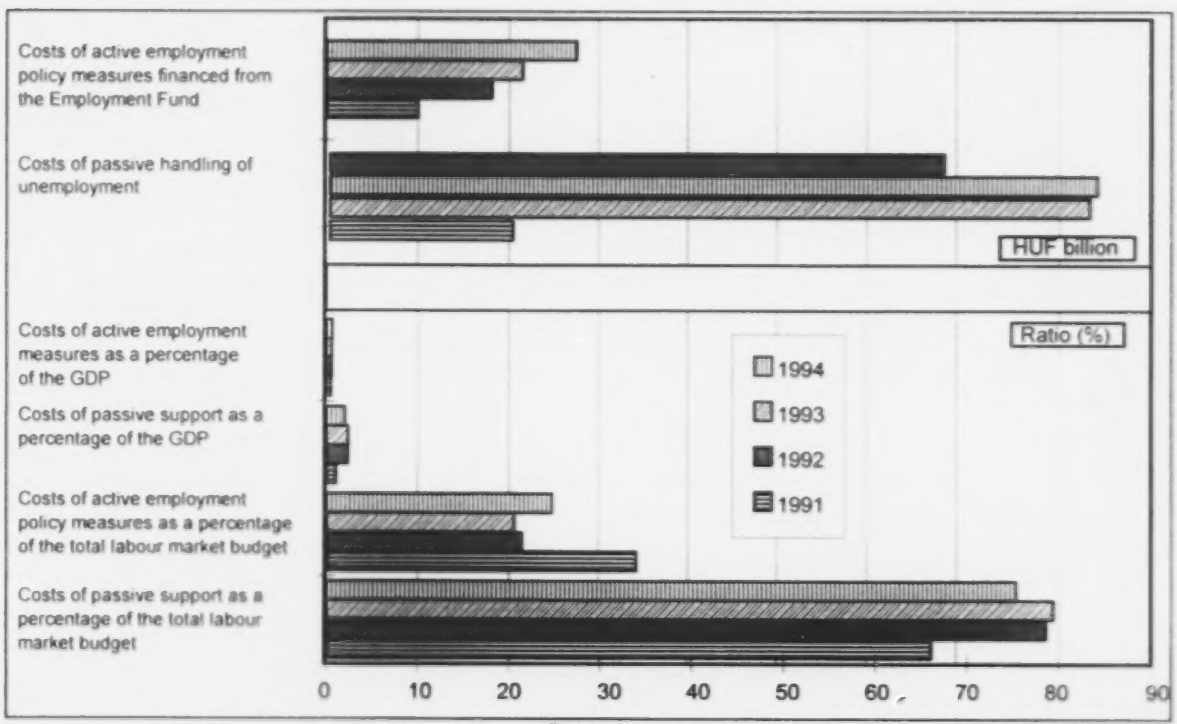

Table 9
Major indices of the labour market budget, 1991-1994

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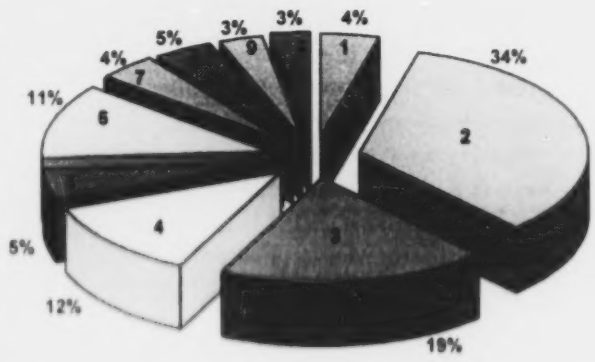

1 Support for job creation
2 Support and cost reimbursement for retraining
3 Public work programmes
4 Interest payment of start-up loan
5 Facilitating the transition from unemployment to entrepreneurship
6 Partial payment of wages and its contributions
7 Operation of foundations and employment associations
8 Support of part-time employment
9 Early retirement
10 Funds set aside for employment crisis situations

Table 10
Distribution of the beneficiaries of active employment measures, 1994

judgement is justified by the number of those who successfully completed training courses and found jobs. From 1991 to 1995 a World Bank loan programme has helped renovating these institutions by providing equipment, refurbishment, and technical assistance.

At the same time, most of the new jobs in the NQL require entirely new skill profiles, which can only be obtained through a mixture of experience and training. Obvious training needs, such as skills in foreign languages, accounting, or commerce, may not be apparent at a first glance. Firms require combinations of these skills, i. e. individuals who know about a product, but are also able to sell or to communicate in a foreign language. These profiles might take time to develop, and this is probably better done by the firms themselves than by compact crash training programmes.

However, no exact and reliable information on labour market training is available, because statistical surveys have so far been restricted to training and retraining organized by the County Labour Centres. (Data collection on courses, which used to appear in the National Statistical Data Collection Scheme, has been suspended since 1990.) According to the VTA, from January 1995 on, all business organizations which provide non-streamline training have to report on these activities; and hopefully the estimated number of about 300,000-350,000 non-streamline trainees will prove to be correct.

The MOL has made numerous efforts to ease the tensions of the labour market. In 1993, 21 % of the labour market budget were allocated to financing of active employment policy programmes, and the 1994 budget raises this ratio to 25 % (see Table 9).

In 1994, 34 % of those affected by active employment measures benefited from of the support and cost reimbursement for retraining, the financing of public work programmes, the interest payment of start-up loans, and the partial payment of wages (see also Table 10).

The total number of people involved in state-subsidized labour market training rose from 58,000 in 1992 by 54 % to 90,000 in 1993 and by 5 % to 94,000 in 1994 (exclusively participants of training run by a labour centre); at the time of the retraining, the majority were unemployed and only about 3,000 to 5,000 had a job).

6 Labour-Market Training and Continuing Vocational Education

To judge from the number of participants, retraining was the employment tool which exerted the largest influence in 1994 (see Table 10); it mainly contributes to the improvement of the labour market positions of its participants by increasing their chances of employment, by providing a

continuation of their activity, and last but not least by helping to develop people's personality. The number of participants in this training during this year amounted to almost 94,000 persons, which exceeded the level of 1993 by 5.2 % and that of 1992 by more than 55.3 %.

In recent years a labour market training system with three components has developed in the Hungarian technical and vocational education:

- an improved network of schools which have traditionally been active in adult education;
- a nation-wide network of RMDRCs;
- a dynamically growing sphere of private training enterprises and/or non-profit organizations which also deal with labour market training.

Apart from the schools for technical and vocational training and RMDRCs, a significant number of educational and training enterprises provide the bulk of short-term training courses: They train about 70,000 to 80,000 persons per year. One can only estimate the number of these enterprises because there are many companies whose business clarification indicates, among other things, educational and training activity, but some of them very seldom provide training.

According to the available data, school-level adult education included, about 300,000 persons participate annually in various types of labour market training in Hungary. In 1993 and 1994 more than one third of the grants for active employment resources were allocated for training. According to the statistics of the Hungarian Central Statistical Office for Economic Organizations, in June 1995, 676 legal entities (limited companies, share companies, and co-operatives) and 1,515 non-legal entities (public earning societies, deposit societies, economic working collectives) indicated that education was their branch of economic activity. Apart from the 2,191 enterprises, the number of 888 non-profit organizations active in education is also significant. To sum it up: Although it is difficult to give a precise definition of numbers of non-state organizations that deal exclusively or mainly training for the labour market, about 2,000 organizations participate, even if only partially, in this subsystem of the professional training system and about 800 more organizations are continuously active in it.

The activity of private training organizations not only leads to a qualitative competition on the training market, but also an almost exclusive supply of specialized training in a few areas (e. g. chartered accountants, hostesses, fashion models, high-quality language tuition). This subsystem of the professional training and, within it, market related education is undoubtedly demand driven and flexible; these characteristics exert an extraordinarily positive influence on the technical and vocational education system as a whole.

The basic tasks of a close connection with labour market services such as training, consultation (career orientation), and training in job-seeking techniques are job programmes that are at the disposal of the students as basic services. According to the existing data, so far tens of thousands of people have used the consultation services of the RMDRCs. About 7,500 persons passed examinations in the centers in 1994, while the dropout number was only 2,5 %. Since the network of institutions has been created, the connection of the centers with technical and vocational educational institutions, especially with schools, has continually improved. A basic reason for this was the fact that the traditional schools are happy to use the modern tools and modular-system curricula of the centers; at the same time, they can give an appropriate contribution to theoretical (or basic) education.

7 Forward to a long-range Conception

In Hungary technical and vocational education is a matter of priority. When one considers possible future developments, it is realistic to start off with the fact that the social and economic environment prompts the renewal of technical and vocational education. For this reason economic and social expectations must be reviewed from time to time:

- In order to make economic output increase and members of our society enjoy a higher status in the world of labour, the basic functions of technical and vocational education should be strengthened. In a political sense, the Government programme has outlined a progressive framework, yet the professional specification of the conceptual objectives can no longer wait. In addition, the society's attitude needs to be shaped and developed further with regard to

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this issue. In the current stage of generating the concept, there are no long term objectives to suggest a partial renewal of the institutional frameworks, as it might usually be the case in mid-term thinking. Thus, a basic orientation and the phrasing of objectives are required. The most important objectives of a long-range conception are the following:

- The aim which was expressed in the Hungarian Government programme (1994), namely that technical and vocational education should only start at the age of 16 - after a period of general education - appears as a new challenge for medium term development, depending on the establishment of a new system of guarantees which are required and possibly offered by the State, the economy, and the society. Exactly for this reason it is necessary to make it a long term objective that those who are not heading for attending a secondary school, and those who are willing to enter the labour market with no vocational qualification, should receive governmental and social assistance to help them completing their technical and vocational education. The change in values as well as social expectations have a significant role in this respect, since the ultimate aim is not some kind of state paternalism, but rather a set of specific steps which shall motivate families, individuals, schools, and economic organizations to achieve this goal.
- As Hungary is placing high priority on the competitiveness of its economy, we should accelerate the process of modernizing the content and structure of technical and vocational education in branches and professions where we have a reasonable chance to improve our international economic positions to a significant degree. Although the exact specification of these areas is connected with the solution of certain problems concerning details, those aspects which affect the dynamics of exports, the sectors that primarily determine the GDP, and the professions which determine the working culture of SMEs, may, admittedly, still influence our competitive position (in food processing, tourism, catering, software development and computer programming, financial services, etc.). This - which is apparent in both streamline vocational education and labour market training - will hopefully also be attractive for representational organizations such as the Economic Chambers, which are now being developed. Labour force may produce a significant amount of added value, if it is sufficiently well trained and innovative, and also knows and applies specific means to assure certain standards of quality. Therefore general elements which are required in order to improve the competitiveness and the necessity of a constant monitoring of the technological change and improvement must appear in the programmes of school-based technical and vocational education and be incorporated in the basic stages of on-the-job training as well.
- Ideally, vocational education provides an opportunity for every young person to receive technical and vocational education. The planning of the content of vocational education and the documentation of its methodology can be done in a much more rational way than it is possible in labour market training. The actual challenge lies in enabling trainees with different experiences, and of different age, to perform the same specialized roles in a workplace. Furthermore, it is of strategic importance to elaborate and introduce job-family-based modular training, based on homogenous age groups and on a time-based educational organization.

  As to the pilot work which is in progress in vocational secondary schools the time has come to give foundations to 15 to 20 job families (group of vocational qualifications), and to provide vocational training for people over the age of 16. This is to be done in cooperation with schools (dual training) and in a way that fits these job families. All over the world, streamline technical and vocational education - just because it is provided at a school - is a popular way to obtain vocational qualifications, and this is even more the case when it is combined with secondary school or with post-secondary education. This tendency is expected to gain ground in Hungary as well, which is a good reason to ensure that, in the long run, a differentiated institutional system and a diversified supply of technical and vocational education are established.
- It is necessary to strengthen the role and the responsibility of the enterprise itself in a process of specialization which is prompted by

the needs of the economy. The principles of the division of labour between State and economy - as constituted in the legislation - which provides for the State to ensure access to education while economic organizations are in charge of practical training, should rather be interpreted widely than rigidly. In order to improve the decentralization of the management of vocational training, the representative parties of the economy - both employers and employees - must be involved in making decisions on vocational training.

In addition to the long-term task of striving for cooperation, in the shorter term the State must initiate and provide permanent support for the transformation of technical and vocational education in form of proposals and suggestions. These partners should have the possibility to take part in the social dialogue. In this process of getting feedback, it is advisable to achieve the cooperation of business and industry regarding the determination of the directions of the specialization process and the requirements of vocational qualifications. It is of particular importance to put to work an efficient mechanism on regional and county level reconciling the interests which are related to vocational training.

It is necessary to establish technical and social guarantees on a basis which is suitable to the operation of the decentralized vocational training system and the legal regulations that are related to vocational training. The methods and perhaps also a related system of institutions need to be developed by a modernization programme if decentralization shall proceed.

8 International Cooperation

At the beginning of the 90's in the field of technical and vocational education significant international cooperation programmes were started. A large-scale human resources development programme was launched at first between 1991 and 95 within whose framework the World Bank granted a loan of 26 million US$ in order to develop a network of RMDRCs. By 1995 nine RMDRCs had been established in Hungary, and each one is capable to organize the training of 500 to 600 unemployed persons in different special fields simultaneously. They have excellent technical facilities since each center spent 2 million US$ on the development of educational and training equipment. Technical experts provided a continuous support for the staff and management of the network. The upper and middle management participated in study tours in order to get acquainted with advanced West-European and North-American methods. These centers form a special link between the labour administration and training institutes. Being programme-financed, they provide a very flexible form of training. In Hungary these organizations were the first to carry out competence-based modular training which offered training opportunities chiefly for adults, according to the needs of the labour market. Several bilateral projects are connected with this programme, so that cooperation is ensured (coordinated by the MOL) with Denmark, the Netherlands, the United Kingdom, Germany, and France, that serves as the basis on which labour force development can be planned and evaluated and the advanced training of teachers can be realized.

Another significant area of international cooperation is the PHARE programme of the European Union which was started in 1990/91. Within its framework, as a first a step of the updating of the special training system, the qualification system has been standardized. These programmes helped to integrate the qualifications of youth and adult training into a standard system. Training management programmes, which can be regarded as a preliminary to the setting up of the accreditation system for 2,000 actual training ventures, started in 1995.

A new training model, which - in contrast to previous practice - integrates general and vocational skills in order to meet user demand and improves the chances of employment of school leavers by introducing post-GCSE specialization, was launched with the help of a 34 million US$ World Bank credit and the active participation of 61 schools. Thanks to the contribution of an PHARE programme of 8 million ECU, another 39 schools joined the project in 1993 to 95. Assisted by the NTC, training at IPOSZ (National Federation of Industrial Handicrafts Associations) classes, which are devoted to the development of content and training materials at small-trade/ handicraft level, began as well.

9 Conclusions

The present transformation of the Hungarian technical and vocational education system illustrates how much effort it takes for countries that have to cope with transition to a market economy. The changes regarding the structure and content of technical and vocational education have been introduced as a result of new legislation. New structures and institutions have been established, but because of their relatively short existence we cannot yet evaluate their effectiveness. As a consequence of mass redundancies, due to the reorganization of business and industry, Hungarian technical and vocational education has been in a fundamental crisis. Consequently, the traditional content of vocational education has become increasingly irrelevant because it was based on the traditional job classification which is no longer acceptable by present standards.

Along with the development of a market economy, the prestige of technical and vocational education has also grown. Governmental policies have attached a greater importance to macro and local decisions concerning vocational education. The involvement of social partners - employers and employees - has greatly increased in respect of the framing of vocational education policy. The transformation away from a centrally planned system started with the establishment of the Economic Chambers. These institutions will be the guarantee that in the long run the participants in economy will also be involved in policy development.

The main results are the following:

- The place, role, and socio-economic prestige of technical and vocational education in Hungary have significantly changed during the last years. While technical and vocational education was something of a "backyard" in the educational system for years, it now enjoys a considerable prestige. Noticeable public attention as well as legal and political measures focus its renewal. On the one hand, technical and vocational education is traditionally linked to the general training system, on the other hand: an increasingly close contact with economy and the world of labour is developing. This is essentially a new development in Hungary.
  Along with the transformation of the legal regulations and the financial system, the decentralization is taking place on the basis of linkages between educational institutions and economic organizations. The scope and unavoidability of the involvement of enterprises and firms in training is defined by laws; however, specific solutions are only found in order to react to real needs.
- The dynamics of the transition to a market economy have produced more and more solutions regarding the linkages between technical and professional education and the world of labour. Although a significant number of domestic and international programmes and research have been initiated during the last years, we do not have any scientifically or experimentally validated answers to many substantial questions which are related to the transition. The following issues still need to be addressed:
  - the elaboration of (nationally and internationally accepted) standards of the quality of technical and vocational education;
  - questions of the transformation of the role of teachers;
  - issues of legal security of young people who get on the job training;
  - the division of responsibilities between the State and the economy, concerning the financing of training, especially in relation to tax relief;
  - the harmonization of general education and retraining systems for youth and adults.

These subjects deserve special attention and therefore they may become future subjects of international research cooperation, projects, and programmes.

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The Policy Level: Romania

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1 The Social and Economic Context

Just like in other CEE countries, vocational education in Romania has been facing many challenges. They affect both the economic system and the education system, a fact that makes their interconnection, which is indispensable to the appropriate operation of vocational education, a problem in Romania. Several legal measures enacted by the new political authorities in an attempt to improve the situation have had fairly limited effects, as is to be shown below, and a balance between training, retraining, and labour market demand has still to be achieved.

We will concentrate on two issues, which seem to affect the present state of vocational education in Romania fundamentally. They are:

- major changes in the social and economic environment of vocational education;
- the rift between the education system and the economic system as a result of those changes.

1.1 Social and Economic Changes

The political changes of 1989 have not entailed quick positive effects on the economic, social, and cultural fields. Quite to the contrary, the first apparent consequences of the post-totalitarian transition were rather disappointing: The crisis of the Eighties extended beyond the collapse of the communist system in December 1989. Moreover, the protracted crisis of the old system was aggravated by the social costs and the harshness of the economic reform.

As a result of that compounded crisis, vocational education in the early Nineties had to be carried on in an unfavourable socio-economic setting marked by:

- political instability
- an inefficient, backward, and steadily deteriorating economy
- growing unemployment
- social inequality
- a severe state budgetary crisis
- distinctly weaker social services
- an increasing dissatisfaction and apathy of the population.

To sum it up, the early effects of the political and economic reform were far below the expectations. This situation, which is widespread across CEE countries, influenced voters who, in the latest elections in Lithuania, Bulgaria, Hungary, and Slovakia, backed political parties which were closer to the older regime and promised a return to pre-1989 social stability.

In Romania, the gross domestic product declined in the first three years of the transition, as the data in Table 2.2.1 (page 43) shows. In 1990, the GDP was down to 92.7 % from its 1989 level, shrunk to 80 % in 1991 and further to 67.7 % in 1992. As far as industrial output was concerned, by 1992 it had fallen to almost half the level it held in 1989.

Inflation has risen dramatically (at a rate of 31 % in the past twelve months), and so has **unemployment** (9.4 %). In particular, joblessness is a case for concern, especially because Romanian society is ill-equipped to cope with it. There are several reasons for its immense growth in 1990 to 1995 viz.:

a) **The baby-boom generation** has joined the labour market. This is the generation of the Seventies, a time when the population grew rapidly through excessive pro-natalist policies pursued by the former regime; they are the baby-boomers who bravely demonstrated in December 1989 and eventually achieved the downfall of Ceausescu, the man himself who had promoted a widely resented growth of population. Table 2.2.6 (page 45) shows that at the end of 1994 unemployment among the under 25 years olds reached the high level of 42 % of Romania's total.

b) **Recession** is another cause for growing unemployment. Taking 1989 as a year of reference, the total economic cost of unemployment as to lost GDP was 51.19 billion lei in 1990,

increased to 139.39 billion lei in 1991 and 225.30 billion lei in 1992. Economic losses through unemployment during 1990-1992 sum up to a total of 415.88 billion lei (see Table 2.2.5, page 45).

c) **The economic changes** also contributed to the high unemployment rate. The structure of unemployment in 1993 (see Table 2.2.4, page 44) reveals that 45.3 % of the total number of unemployed belong to the industrial sector, which is the area that has undergone the most dramatic changes. Large-industry privatization, which began in 1995 is expected to put more people out of work, thus raising the share of industrial unemployment even more.

1.2 Relationships between Education and Economic Institutions

Questionable for efficiency, the pre-1989 system did nevertheless ensure a good relationship between education and economic institutions. Its mediator was the provider state, who was owner and manager of both the **economic system** and the **education system**. The State which held the monopoly over both education and economy (almost 80 % of the economic units were state-owned, see Table 2.2.3, page 44) was in the unique position of setting labour requirements for every sector on the basis of central planning. The starting point for that hypercentralized planning was a simple equation by which the education system had to train the labour force so that the latter should match the pattern of jobs which was predetermined for the economic sector. An administrative allocation of both manpower needs of state companies and enrolment quotas and fields of training aimed to bypass labour market mechanisms. As a result, jobs were guaranteed to graduates from vocational schools, just like those from other forms of education. Being particularly designed to meet needs of intensive growth, socialist planning served State interests (by giving priority to "strategic" sectors e. g. the heavy industry, mechanical engineering, and the extractive industries) at the expense of individual interests. Once having entered a training programme, there was little a student could do other than follow a predetermined path which ruled out any personal initiative or retraining effort. And since no one, not even the omniscient party, could accurately plan out economic needs, it happened quite often that the far too narrow and rigid specialities set by planners were a poor match to reality. Besides, an individual who enjoyed the benefits of a guaranteed place of work was hardly in a position to choose or change. This brought social and occupational mobility to a virtual standstill.

The system of adult vocational education was limited to people who already held jobs for which they were not formally qualified. In spite of a legislation that encouraged state units to run in-service training and continuous education programmes (see Law 2/1971, page 53 f.), most of them were actually either only a formality or a case of political indoctrination. As the command economy collapsed, both enterprises and vocational education and training had to face a crisis. The steps towards the transition to a market economy which were taken as early as 1990 greatly affected the relationship of technical and vocational education of firms. They included:

- the slackening of price controls and the gradual withdrawal of state subsidies;
- the replacement of an administrative allocation of resources (through the state budget) by a market-type allocation of resources to enterprises on the criteria of profit;
- the transition from imperative macroeconomic planning to planning guidelines;
- the introduction of a real foreign-exchange rate to promote foreign investment;
- the start of mass privatization (in 1995).

The decline of the economic enterprise did not only involve well-known social effects (unemployment, inequality, chronic insolvency) but also the deterioration of technical and vocational education. In line with a widely advertized slogan in the Eighties which proclaimed "the integration of education into research and production", Romanian enterprises were the mainstay of a so-called **patronage** system. Enterprises supported students' practical activities, subsidized students' facilities, and contracted research and development projects with education institutions. In turn, they received the work force that had obtained qualifications in institutions whose fields of training and whose curricula were tailored to the needs of sponsor enterprises.

When the **"patronage"** system was dismantled, technical and vocational education were completely taken over by the Ministry of Education. In spite of a lack of the appropriate resources (workshops, production base, raw materials, technical staff), the education system became fully detached from the economic system.

As far as **skilled labour employment policies** are concerned, market mechanisms still have to assume their regulatory role. Since the general regulator, the Provider-State, has been dismantled, yet improvization and short-term measures have predominated. A few trends have emerged:

a) **The labour market** is still unable to regulate skilled labour demand and supply. This is due to several causes:
   - The Romanian economy in its transition is a hybrid between a centrally planned economy and a market economy as the State tries to get rid of loss-making enterprises but fails to provide the conditions they needed to be more efficient. As for technical and vocational education, the State is trying to develop a **training market** which lacks the reliability of a "real" market, anyway.
   - There is poor knowledge of labour market requirements. At a time when most enterprises are concerned with economic survival rather than long-term investment, **the requirements of skills of the economic sector are unknown**.
   - Training institutions are artificially separated from the economic sector. The **external efficiency of training institutions** is not monitored.

b) The newly founded firms or companies have not yet achieved the amount of profit or the stability that would allow them to launch their **own training schemes**. Small and medium-sized private businesses would rather hire young people as soon as they graduate from school than retrain experienced labourers who were made redundant in state enterprises.

c) **Apprentice training** is done by taking parents' interests, not market demand into account. Quite often, apprenticeship is seen as a source of cheap labour rather than a vocational training programme.

2 Lines of Change: New Actors and Priorities

Against the background of these urgent issues, technical and vocational education was under twofold pressure for reform:

1. On the one hand, **Romania's education system** put technical and vocational education on its list of priorities for reform through its central actor, the Ministry of Education. As a result, Romania's education reform programme aims to change all technical and vocational education curricula, to simplify occupational standards and to bring them down to a number of 200, to update equipment, and to reconsider the practical training system. In order to finance the reform of technical and vocational education, the Government of Romania initiated two international projects in cooperation with the World Bank and EU-PHARE, respectively. The priorities to be dealt with in this programme are:
   - to decentralize curricula and vocational training; under the PHARE programme, the new technical and vocational education curricula will be developed in 25 pilot schools - one for each occupational family;
   - to develop a national evaluation and examination system for technical and vocational education;
   - to modernize workshops;
   - to establish a tripartite forum for the definition of occupational standards that includes representatives of the Government (Ministries of Education and of Labour), employers, and labour unions. The resulting standards will be used to define both the content of vocational and technical education as well as the skill requirements of the labour market.
2. On the other hand, changes in the **social and economic system** in Romania are pressing for a technical and vocational education reform. Being freed from the constraints of having to support financially and to employ technical and vocational education graduates, enterprises are even more demanding in their relationship with the education system. In order to avoid to turn into a source of unemployment which has been on the rise through enterprise restructuring, technical and vocational education has no choice but to adjust to changed conditions.

3. Against the background of changes in the economic system as a whole there are great differences in the relationships between enterprises and educational institutions. Relationships vary depending on the **economic sector** and **kind of enterprise** which is affected.

a) **Big state-owned enterprises** are most heavily hit by recession and economic restructuring. They are the major source of unemployment (over 80 %), due to this fact they have a special need for training and retraining their personnel. And yet, in spite of this special need, such enterprises:
   - are no longer committed to funding vocational schools;
   - do not invest in any new technology which is of interest for practical student training programmes;
   - do not hire qualified staff any more.

   This crisis of the public manufacturing sector directly affects technical and vocational education. **School Centres** (including vocational and apprentice schools) are a different case: While they are still under the responsibility of the economic Ministries even though enterprises have neither means to nor interest in financing them, both their curricula and teaching are the concern of the Ministry of Education, a fact which only adds to the confusion. Also, the teaching staff is hired by the Ministry of Education jointly with the relevant Ministries coordinating the School Centres concerned.

b) **New private enterprises** are mainly in the service and the high tech sector. Such enterprises are small (see Table 2.2.2, page 44) and thus unable to develop their own training capabilities. They prefer hiring young graduates to retraining unemployed adults; due to this tendency they are of particular interest to both technical and vocational education and university graduates.

c) **The craft industries** are by tradition the sector which attracts trained apprentices. Although the new legislation (especially Government Decisions No. 288/1991 and No. 296/1995) promotes apprenticeship in times of economic decline there is a risk that this form of training is used to acquire cheap labour or to hide partial unemployment.

d) **Agriculture** is the economic sector where training and retraining opportunities are the lowest. The new legislation on the relationship between the economic and education systems almost completely ignores the needs of agriculture (even though agriculture still employs almost 30 % of the working population (see Table 2.1.4, page 43). Moreover, the land reform, which began in 1991, has resulted in an overfragmentation of the labour force (there are more than six million landholders who farm up to ten hectares each) which rules out any long-term investment.

A **multiplication of actors** is an extraordinarily obvious change of the technical and vocational education policy in Romania. Whereas there was only one single actor before 1989, the Provider-State and its relevant institutions, a wide range of actors is involved in the relationship between the economic and the education system now. We have already referred to the tripartite forum (COSA) which has to define the new occupational standards. In our survey of the new legislation in the subsequent section, we will frequently mention Labour and Social Security Directorates, company training centres, the Chamber of Trade and Industry, employers' associations, local public authorities and labour unions.

However, diversity does not necessarily imply coherence. In the absence of a general regulator, a role which used to be performed by the single party and the Provider-State, relationships among the actors who are involved in vocational training policies are discontinuous and conflicting at times. For instance, research done at the National Research Institute for Economics shows that **labour unions** are not concerned with the vocational training of labour. They concentrate on immediate salary claims. Moreover, being afraid that non-participation in training programmes could be used by employers as a criterion for dismissal, labour unions opposed any reference whatsoever to vocational training in collective bargaining and labour contracts.

Practical training is a priority for the technical and vocational education reform in Romania. As the "patronage" system, referred to in the previous section, no longer exists, the new legislation tries to outline a new framework for the relationship of enterprises and vocational schools. And yet, in the absence of a true **labour market**, legislation alone can hardly work. Let us consider just one example: Even though Government Decisions No. 288/1991 and No. 171/1994 state that labour and social security directorates shall organize training and retraining programmes for the unemployed, their provisions actually restrict the programmes:

- for instance, a programme should have at least 15 trainees, a number which many enterprises cannot afford (among other things this explains why such programmes were offered for just 10 % of the unemployed);
- the enterprises which offer such programmes must provide jobs for the people who take part in them; however, only 20 % of the unemployed who complete a training programme can be hired.

Let us now revert to the subject of **practical training**. After having been discussed at length, the matter was covered by regulatory acts which pursued to avert a complete separation of technical and vocational education from the economic system. In accordance with the Ministerial Order No. 8325/1990, the new curricula make the following provisions for the practical training of technical and vocational education:

- **Vocational and Apprentice Schools**
  In the first two years, when students are introduced into the study of technology, practical training is done in school workshops arranged on the school premises, maybe jointly with an economic unit concerned. In the senior years when it is focused is on specialization and skill-acquisition, practical training is done in economic units where students are assigned specific tasks along with skilled workers. Tax facilities for enterprises accepting students for practical training are being considered and a decision to that effect is expected to be made in 1996.
- **Technical Vocational Secondary Education (Industrial, Agricultural, Forestry, Economic, Social and Administrative, Services, Information, Metrology)**
  Practical training is done either in school workshops (in the junior years) or directly in economic units (in the senior years). However, taken into consideration the difficulties faced by economic enterprises, it was agreed that the practical training of students in the terminal years may also be done in specialized school laboratories.

The conclusion of the above analysis is: At a time when both the economic system and the education system are in a crisis, and a true labour market mechanism is lacking, regulatory acts alone are hardly efficient. While providing a new legal framework for the relationship between enterprise and educational institutions, such acts - in the context of the extensive change and uncertainty caused by the transition - should be linked with social and economic measures against the background of coherent human resource policies.

This interrelationship between legislative intervention and social, fiscal, and economic intervention apt to regulate the relationship between enterprises and education institutions will be the focus of the next section.

3 Legal Framework

The technical and vocational education system of Romania is organized in the following way:

3.1 Initial Technical and Vocational Education

Initial technical and vocational education is considered as a part of the national system of education. Consequently, its organization is determined by the same legal acts as those which are valid for the whole national system of education (see Annex 1, page 41):

a) **The Constitution of Romania**, passed in December 1991, stipulates the right to education as one of the fundamental rights of the citizens. Article 32 makes precise the general structure of formal education, and mentions technical and vocational education as a form of post-compulsory education. Thus, technical and vocational education benefit from the same constitutional guarantees as any other educational form:
   - the use of the Romanian language as the official language in education;

- the right of minorities to study in their mother tongue;
- free public education;
- the freedom of confessional education.

b) The Law of Education, passed on 24 July 1995, determines the following structure of the national education system:
   - **pre-school education** for children aged between 3 and 7 years;
   - **primary education** (forms I-IV);
   - **secondary education**:
     - **gymnasium** (forms V-VIII) or lower secondary education; added to the primary education it constitutes the compulsory eight years of school education;
     - **high school** (forms IX-XII or XIII) is a selective level, corresponding to higher secondary education;
     - **vocational education** is structured into vocational schools (the length of studies is 2-4 school years) and apprenticeship schools (1-3 school years of study);
   - **post-high school education** with a length of 1-3 school years is structured into specialized post-high schools (e. g. health post-high schools) and master training schools; there is a competitive entrance examination for high school leavers with a baccalaureate diploma;
   - **higher education** includes the following cycles:
     - **short cycle higher education** (3 years colleges or the first three years of study in long cycle higher education);
     - **long cycle higher education** (4-6 years of study) leading to a license diploma;
     - **post-higher education** for a master degree, or doctoral degree, or in a form of post-university academic studies, or further training studies.

Concerning **vocational education**, the Law of Education stipulates the responsibility of the Ministry of Education to organize the vocational school network. This assures a unitary leadership for the whole system of education.

Enlisting in the vocational schools is based upon the capacity certificate the student receives when leaving the general school (gymnasium).

Vocational education is organized in form of daytime or evening courses. At the request of economic agents, vocational schools can organize qualification and vocational conversion courses by contract.

Apprenticeship training is also organized in the vocational schools. Entrance to these apprenticeship schools is possible through passing a trade specific testing.

Both vocational courses and apprenticeship courses are certified with a diploma, after the student has passed an examination, which gives the owner the right to practice the job he/she has been trained for.

Even if vocational education is totally separated from high school education, Article 36 of the Law of Education mentions the possibility of attending a high school after an entrance examination. In this way, vocational school-leavers are offered an opportunity to enter the move towards higher education.

3.2 Continuing Vocational Education

Continuing vocational education is less structured than the school system. Instead, it is more diversified, larger, and more flexible. So, the legislation on continuing vocational education is also more diversified and specialized.

The analysis of the legislation on continuing vocational training (see annexes, page 48 ff.) will lead to the following results:

a) There is **no direct legislation** for a cooperation between technical/vocational education and the world of work. Most of the provisions on this problem are included in laws or decisions that regulate other aspects: the unemployed and handicapped persons, social assistance, occupational integration of school leavers, the requalification of unemployed, and adult education.

b) **The new legislation on vocational training** coexists with some of the laws which were given by the communist regime which, although never having been put to use, have not

been officially abrogated yet. This especially applies to the following two laws:

- Law No. 2/1971 which was meant to create a national system of lifelong training. This law stipulated that each citizen was obliged to participate permanently, at least in one of the following kinds of professional further training: on the job training, individual programmes, evening courses and distance courses, off the job training stages, doctoral degrees. This system of further training in mass, imposed by coercive means (citizens who did not attend a further training form or another were to be punished), could not be put into practice because of two reasons: the formalism of its applicability by the great "socialist" enterprises and the lack of motivation on the part of the social actors.
- Law No. 5/1985, regarding the productivity increase, as extensive and substantial as Law No. 2/1971. It created a direct link between the labour productivity increase and professional training. It gave some measures to motivate the enterprises within the centralized economy. However, the stress lay on bureaucratic structures (Ministries, commissions, official trade unions) that did nothing but block the initiatives of the enterprises. Anyhow, some provisions of this law, although inoperative, could be reused for a future legislative initiative: training in large areas, co-interest of enterprises, connection between technological training and general education.

c) Most of the legislative decisions of the first five years of the transition (1991-1995) emphasize the **social assistance aspects**. On the one hand, the political direction of the power that won the elections in 1990 and 1992 through protectionist promises and a programme of controlled reforms can serve as an explanation. On the other hand, the privatization process and price liberalization (begun in 1991) caused a new phenomenon: the unemployment.
Thus, requalification and training of the unemployed have become some of the priorities of the new Government of Romania.

d) Most competencies in professional training belong to the **State and its structures**: Ministries, local representatives of Ministries, commissions, interdepartmental centers, state institutions, etc. The private sector, non-governmental organizations or trade unions still obtain only a modest part in professional training activity.

e) **Enterprises** still only have a modest part in professional training activity. On the one hand, the large enterprises are still State property; they record a powerful economic falling-off and cannot afford long-term investments (e. g. human resources), but mostly survival measurements. On the other hand, the small private enterprises set up after 1989 are not sufficiently efficient and have a reduced staff so that they cannot develop their own training activities.

3.3 Legal Framework of the Technical and Vocational Education System

In order to demonstrate these general results and to put them in a concrete form we shall broadly deal with the main legislative measurements that might have influence on cooperation between technical/vocational education and productive activity. These measures are of two kinds:

a) Laws or equivalent legislative acts

The problem of the unemployed's and vocational school leavers' social assistance has become so urgent that every year legislative initiatives, amendments, and modifications to the respective laws are adopted.
In this regard, we are particularly concerned with the following legislative acts:

- Law No. 1/1991, regarding the social assistance of the unemployed and their occupational reintegration, refers clearly to two risk populations: the unemployed and school leavers.
  Article 2 of this law states that unemployment payment (the persons who receive it are obliged to attend professional qualification or retraining courses) is also to be given to school leavers who could not find employment within 60 days after leaving school.
- Law No. 72/1991 was passed to modify and complete Law No. 1/1991. In Article 9, after the stipulation that the unemployment payment is paid for maximum 270 calendar days, it is mentioned that unemployed are obliged to participate in professional qualification or requali-

fication courses. Concerning the school leavers who can benefit from the unemployment payment and qualification/ requalification programmes, the minimum age has been lowered from 18 to 16 years. This provision allows the general inclusion of school leavers.

- Law No. 57/1992, regarding the employment of handicapped persons, mentions some measures in Article 9 to encourage enterprises to employ special school leavers, such as a 50 % discount on the taxes on the circulation of goods. The setting up of protected workshops, partially financed, where the majority in staff must be handicapped persons is also mentioned.
- Law No. 86/1992 which modified and completed Law No. 1/1991, regarding the social assistance of the unemployed and their professional reintegration, does not modify significantly the situation of vocational school-leavers. An "allowance grant" is introduced for long termed unemployed who, after having benefited from the unemployment payment and corresponding qualification/ requalification courses, failed in being employed. The allowance grant is paid for a period of 18 months, during which the beneficiaries can attend qualification/ requalification courses. This provision is also applied to school leavers who previously benefited from the unemployment payment.

b) Governmental Decisions

Due to a rapid change in social life, urgent interventions and decisions at the level of the Government were urgently needed. They complete the laws which are mentioned above. Especially the following governmental decisions are of importance here:

- Governmental Decision No. 288/1991, regarding qualification, requalification, and further occupational training of the unemployed, made the Laws which had been passed in the same year complete.
  In conformity with this Government Decision, county labour and social security directorates are obliged to provide training and retraining programmes for the unemployed. The programmes are offered in regional public centres, vocational schools (under contract) or autonomous centres run by economic units for a duration of up to nine months.
- Government Decision No. 463/1991 is on subsidizing the payment of young graduates. To stimulate employment of young secondary or high school graduates, the State pays private and public employers - for a period of nine months - the equivalent of the unemployment benefit for every young person hired. By 1 July 1993 the total number of programme recipients was close to 16,000, i. e. less than 10 % of all graduates of 1992. The programme only had limited effects as it did not alter the relationship between the labour market and education institutions in any significant way. So, for instance, half of the new jobs that were created ensuing this Decision were brought into being in Bucharest, where labour demand was already higher than elsewhere in the country.
- Government Decision No. 171/1994 somehow complements GD No. 288/1991, albeit inessential for our analysis. The Decision provides that every registered unemployed can take part in two training or retraining programmes at most. It is the obligation of public or private companies which run such programmes for their own unemployed to hire them on completion. However, this programme could not substantially improve the relationship between economic enterprises and training and retraining institutions. According to the data provided by the Institute for Research of the Quality of Life, 12,000 unemployed participated in this programme in 1991 and over 50,000 in 1993. All in all, close to 65,000 jobless took part in these training programmes from 1991 to1993, merely 7 % of the total number of unemployed in Romania.

4 The Prospects for Cooperation between Enterprises and Professional Training Institutions

After the retreat of the absolute regulator viz. the socialist State as the sole owner of the economic enterprises and education institutions, the technical and vocational education system found itself separated from the economic system. While socialist planning was incapable to raise the economic efficiency, it did provide a linkage between professional training and labour demand. Providing employment to students, when they finished their education, was by all means a

voluntarist policy which nevertheless guaranteed a work place for everyone.

The transition was marked by a gradual disengagement of the State in the expectation that the labour market would assume its former role as the demand-supply regulator. Therefore, legal measures were taken which aimed, on the one hand, at providing social security to the most vulnerable segments of the population in a market economy and, on the other hand, at stimulating economic enterprises and training institutions to make skilled labour more competitive.

Thus, the changes in Romanian legislation aim at two kinds of policies:

1. Fiscal Policies to provide social protection to the disadvantaged - the unemployed, pensioners, the youth, the disabled. We could mention here:
   - subsidized salaries for young graduates (Gvt. Decision No. 463/1991);
   - tax allowances for employers who hire disabled persons (Law No. 57/1992).

   In general, while the income-tax rate is relatively high, revenue from taxation is still low and insecure due to a common practice of lowering profits by increasing expenses. Moreover, in the absence of tax deductions from investment costs, no business would consider to invest in training programmes which also are a kind of long-term investment.

2. Social Policies which aim at:
   - ensuring that institutional training of the unemployed in compliance with Government Decisions No.288/1991 and 171/1994, given by:
     - specialized enterprise centres;
     - private firms;
     - public vocational schools (as services paid either out of the state budget or by enterprises on a contract basis);
   - programmes aiming at reducing labour supply in order to avert chronic unemployment:
     - early retirement (introduced by Decree-Law No. 66/1990, it was applicable only throughout 1990 when 393,000 individuals went into early retirement)
     - a reduction of weekly work hours (230,000 jobs became available when the 40-hour work week was introduced in 1990)
     - part-time employment (half the salary rate, unpaid leave, leave partly paid from the unemployment fund);
     - extended maternity leave (under Decree-Law No. 31/1990, the 112-workday maternity leave was extended by a one-year child care leave paid at 65 % of the base salary).

The current trend in Romania is to combine fiscal policies (monetary, tax credit, and indexation) with pro-active social policies which pursue an increasing labour demand. The latter aims, on the one hand, at making young graduates (who are joining the labour market) more competitive as to their professional skills (by providing better training within the education system) and, on the other hand, at training and retraining those already in employment. While social protection of a disadvantaged is currently the priority, over the long term policy will be to expand the continuous vocational training system.

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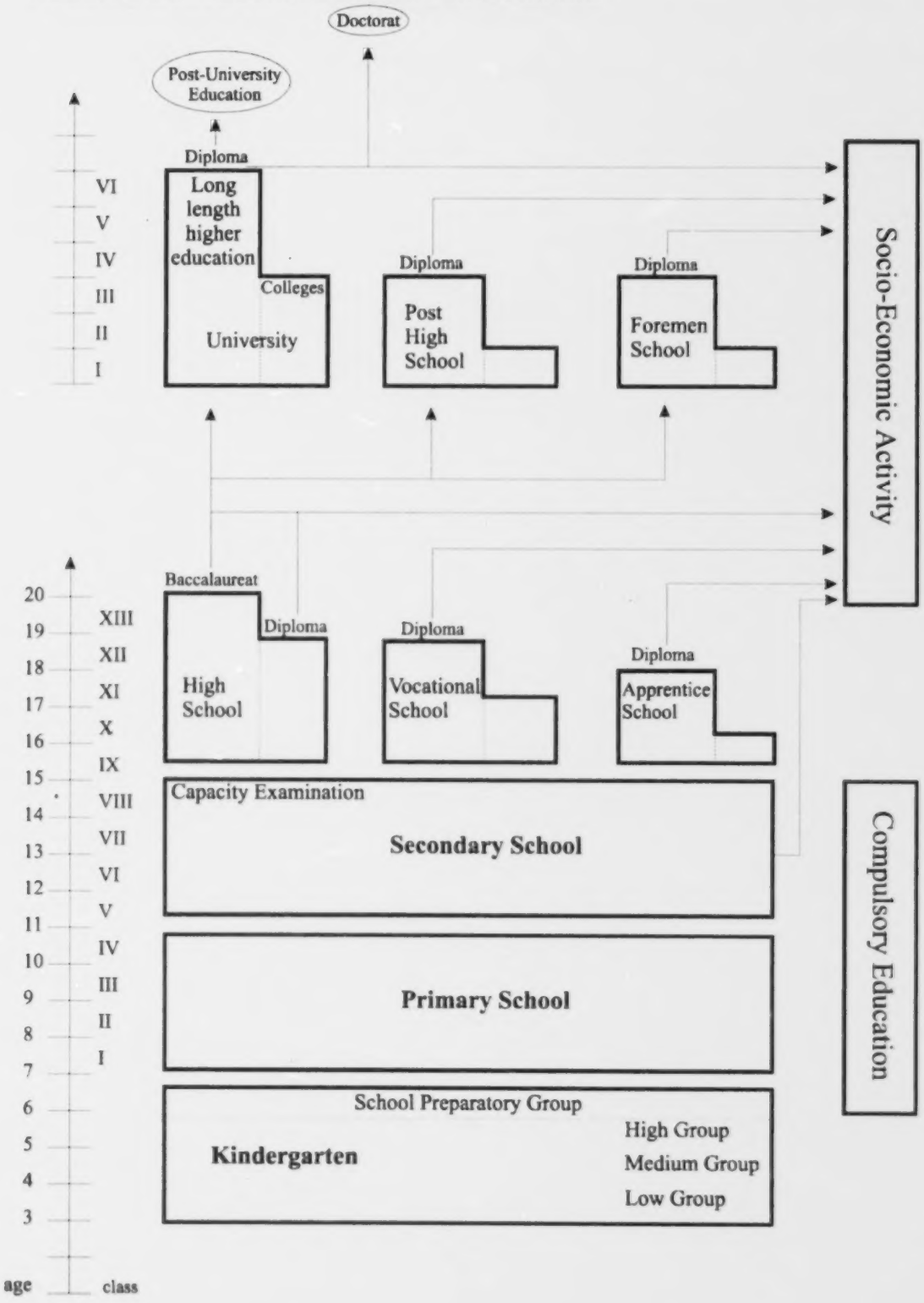
Annexes

1 National Educational Structure in Romania



2 General Data

2.1 Population

2.1.1 Population by sex

	Number of population			As percentage of total	
	Total	Male	Female	Male	Female
7 January 1992 *	22,810,035	11,213,763	11,596,272	49.2	50.8
1 July1992 **	22,788,993	11,200,710	11,588,283	49.1	50.9

* Census 7 January 1992
**Provisional data
Source: Romanian Statistical Yearbook, National Commission for Statistics, 1993

2.1.2 Population by urban and rural area

	Number of population			As percentage of total	
	Total	Male	Female	Male	Female
7 January 1992 *	22,810.035	12,391,819	10,418,216	54.3	45.7
1 July 1992 **	22,788,993	12,367,370	10,421,623	54.3	45.7

* Census 7 January 1992
** Provisional data
Source: Romanian Statistical Yearbook, National Commission for Statistics, 1993

2.1.3 Economically active population and economically inactive population - 1992

	Number of population	As percentage of total
Economically active population		
Employed	9,601,800	42.1
Unemployed	863,744	3.8
Economically active population, total	**10,465,544**	**45.9**
Economically inactive population		
Retired	3,961,936	17.4
Students	3,934,512	17.2
Others	4,448,043	19.5
Economically inactive population, total	**12,344,491**	**54.1**
Total population	**22,810,035**	**100.0**

Source: Population and dwelling census on 7 January 1992. General results. Population, farms, dwelling. National Commission for Statistics, Bucharest, 1993

2.1.4 Economically active population and economically inactive population by sex and socio-economic categories - 1992

Socio-economic category	Total	Male	Female
Economically active population			
Agricultural individual workers	1,536,639	580,302	956,397
Members of producer co-operatives	225,485	91,603	133,882
Employees with agricultural occupations	436,315	325,909	110,406
Employers	30,212	21,815	8,397
Owner account persons	10,725	7,983	2,742
Employees with non agricultural occupations	2,649,245	1,083,858	1,565,387
Private crafts and trade workers	80,031	59,817	20,214
Staff of handicraft and consummation co-operatives	317,519	129,946	187,573
Paid worker	4,622,448	3,137,334	1,485,114
Other type of active persons	556,925	346,624	210,301
Economically active population, total	**10,465,544**	**5,785,191**	**4,680,353**
Economically inactive population			
Retired	3,961,936	1,919,419	2,042,517
Supported persons by other persons	8,163,545	3,359,892	4,803,653
Other inactive persons	219,010	149,261	69,749
Economically inactive population, total	**12,344,491**	**5,428,572**	**6,915,919**

Source: Population and dwelling census on 7 January 1992. General results. Population, farms, dwelling. National Commission for Statistics, Bucharest, 1993

2.2 Social-economic data

2.2.1 Evolution of the main macroeconomic indices in Romania in the period 1989-1992

					Compared to 1989 (%)		
Indices	**1989**	**1990**	**1991**	**1992**	**1990**	**1991**	**1992**
Gross domestic product (prices comparable, 1980=100) (billion lei)	697.1	645.9	557.7	471.8	92.7	80.0	67.7
Active population employed (thousands persons)	10,945.7	10,839.5	10,785.8	10,205.0	99.0	98.5	93.2
Labour productivity in the national economy (G.D.P./ active population employed) (lei/person)	63,687.0	59588.0	51707.0	46232.0	93.6	81.2	72.9
Industrial production value*	...	...	...	...	82.2	66.1	51.5
Labour productivity in the republican industry*	...	...	...	...	80.7	70.7	60.7
Civil active population (thousands persons)	...	...	...	11,134.0	...	...	***101.1
Active population unemployed (persons)	-	58,569.0	337,440.0	**929,019.0	...	576.1	1,586.2

* Adjusted series

** 112,507 unemployed persons who stopped to go to the Labour Force Offices in order to become enlisted in the list of persons looking for a working place are excluded

***This represents the year 1992 related to the year 1991

Source: Calculus based on data supplied by the Statistics Year Book of Romania, 1992. Statistical Quarterly Bulletin, No. 4/1992 and Statistical Bulletin for Public Information No. 1/1993

2.2.2 Classification of industrial enterprises by number of employees*, in 1992

	Number of enterprises	Structure %	Average number of employees	Structure %
Up to 100 employees	619	21.2	38,240	1.3
101- 200	409	14.0	59,202	2.0
201- 300	285	9.8	70,912	2.3
301- 400	204	7.0	71,070	2.3
401- 500	164	5.6	74,283	2.5
501-1000	500	17.1	358,422	11.8
1001-2000	392	13.4	557,405	18.5
2001-3000	170	5.8	412,790	13.6
3001-5000	107	3.7	410,643	13.5
Over 5000 employees	70	2.4	979,849	32.3
Total	**2,920**	**100.0**	**3,032,816**	**100.0**

*Involved in industrial activity
Source: Romanian statistical Yearbook, 1993, National Commission for Statistics

2.2.3 Number of industrial enterprises and employees* by type of ownership, 1989-1992

	1989	1990	1991	1992
	Number of enterprises - end of year			
Industry - total	2,102	2,241	2,510	2,920
Public property	1,541	1,683	1,770	1,817
National industry	*1,474*	*1,612*	*1,712*	*1,712*
Local industry	67	71	58	58
Cooperative property	561	558	740	727
Mixed property	-	-	-	35
Private property	-	-	-	341
Average number of employees - in thousands				
Industry - total	3,690.2	3,701.9	3,361.1	3,032.8
Public property	3,325.9	3,365.3	3,083.8	2,782.8
National industry	*3,245.6*	*3,297.5*	*3,052.5*	*2,762.2*
Local industry	80.3	67.8	31.3	20.6
Cooperative property	364.3	336.6	277.3	174.4
Mixed property	-	-	-	30.8
Private property	-	-	-	44.8

*Involved in industrial activity
Source: Romanian Statistical Yearbook, 1993, National Commission for Statistics

2.2.4 Unemployed structure related to fields of activity, 1993

Fields of activity	%
Industry	45.3
Agriculture	7.2
Buildings	8.1
Transports, telecommunications	3.3
Trade, cooperation	10.6
Education, research-design, health	6.3
Administration	1.0
Services	1.4
Other fields of activities	6.2
Graduates (unemployed)	10.7

Source: Iordachel, I.; Pencea, Gr., Sociological inquiry on the living standard. Institute of Scientific Research in Labour and Social Assistance, Bucharest, 1993

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2.2.5 Economic cost of unemployment* calculated as gross domestic product unachieved in the period 1990-1992

	1990	1991	1992	1990-1992
	in billion lei			
1. Loss of G.D.P. owed to real unemployment	6.76	10.18	47.17	64.11
2. Loss of G.D.P. owed to inefficient use of the labour force	44.43	129.21	178.13	351.77
3. Total economic cost of unemployment, expressed as loss of G.D.P.	51.19	139.39	225.30	415.88

*Unemployment economic cost is given by the difference between G.D.P. achieved in the transition period and the effective one related to the point of reference (1989)
Source: Calculus based on data from the Statistics Yearbook of Romania, 1993

2.2.6 Unemployment of youngsters of the age of under 25 years in the period 1992-1994

Socio-professional category		1992, 15 December		1993, 31 December		1994, 30 September	
		Total	of which under 25 years	Total	of which under 25 years	Total	of which under 25 years
Total	Total	601,479	246,606	1,065,844	429,668	1,057,643	444,048
	%	100.0	41.0	100.0	40.3	100.0	42.0
	Women	365,641	154,301	623,171	265,753	604,608	257,570
	%	100.0	42.2	100.0	42.6	100.0	42.6
Workers	*Total*	*525,425*	*219,628*	*911,919*	*379,358*	*902,422*	*388,788*
	%	*100.0*	*41.8*	*100.0*	*41.6*	*100.0*	*43.1*
	Women	*315,730*	*135,448*	*526,144*	*230,451*	*510,825*	*223,351*
	%	*100.0*	*42.9*	*100.0*	*43.8*	*100.0*	*43.7*
Medium education persons	*Total*	*64,723*	*22,200*	*136,751*	*45,948*	*139,608*	*51,475*
	%	*100.0*	*34.3*	*100.0*	*33.6*	*100.0*	*36.9*
	Women	*42,749*	*15,903*	*88,133*	*32,874*	*85,330*	*32,197*
	%	*100.0*	*37.2*	*100.0*	*37.3*	*100.0*	*37.7*
Higher education persons	*Total*	*11,331*	*2,210*	*17,174*	*4,362*	*15,613*	*3,785*
	%	*100.0*	*19.5*	*100.0*	*25.4*	*100.0*	*24.2*
	Women	*5,953*	*1,268*	*8,894*	*2,428*	*8,426*	*2,022*
	%	*100.0*	*21.3*	*100.0*	*27.3*	*100.0*	*24.0*

Source: Statistical Bulletin on Work and Social Assistance, No. 4(8), 1994

2.3 School population and teachers

2.3.1 Population of school age distributed to education levels in the school year 1993 1994

Level of education	Population of school age	
	Absolute	%
Total	**4,536,170**	**100.00**
pre-school	712,136	15.69
primary and secondary	2,500,406	55.12
vocational, complementary and apprenticeship education	300,413	6.62
high school	722,421	15.92
post high school and technical foremen education	50,707	1.11
higher education	250,087	5.51

Source: Education in Romania. Statistical Data, the National Commission for Statistics, Bucharest, 1994

2.3.2 Pupils enrolled for high school in the school year 1993-1994

Type of high school	Pupils
Total	**722,421**
industrial	217,524
agricultural	43,691
forestry	2,977
economic, administrative, and services	62,268
cybernetics	40,975
metrology	1,299
other types *	353,687

*theoretical, health, teachers' colleges, arts, physical education and sports, military, theological seminaries, special schools for disabled.
Source: Education in Romania. Statistical data, National Commission for Statistics, Bucharest, 1994

2.3.4 School age population enlisted in vocational, complementary, and apprenticeship education, speciality post high school, and technical foremen school in the school year 1993-1994

Branches of activity	Vocational, complementary, and apprenticeship education	Post high school and technical foremen education
mines and petrol	11,265	1,421
electric power and electrotechnical	22,870	4,432
metallurgy and mechanical engineering	62,309	7,371
chemistry	8,125	1,554
wood industry	20,035	1,376
light industry	43,901	1,509
food industry	10,156	1,218
buildings and building materials	21,230	2,509
agriculture and forestry	17,222	2,657
transports and telecommunications	37,846	1,639
trade	18,779	1,127
other branches	26,675	23,894
Pupils enlisted - Total	**300,413**	**50,707**

Source: Education in Romania. Statistical data, National Commission for Statistics, Bucharest, 1994

2.3.5 Students enlisted according to specialities in the period 1989-1994

Specialities	Number of students enlisted				
	1989-1990	1990-1991	1991-1992	1992-1993	1993-1994
Students enlisted - Total	**164,507**	**192,810**	**215,226**	**235,669**	**250,087**
technical - total	**113,185**	**120,541**	**123,736**	**118,097**	**111,145**
industrial	**93,239**	**96,871**	**94,975**	**84,684**	**79,834**
mines	*3,115*	*3,455*	*2,619*	*2,174*	*1,601*
petrol-geology	*3,072*	*2,539*	*2,075*	*1,720*	*1,699*
electric power and electrotechnics	*21,306*	*26,277*	*29,209*	*25,881*	*27,805*
metallurgy and mechanical engineering	*50,629*	*49,649*	*46,238*	*41,694*	*37,251*
chemical technology	*8,032*	*8,262*	*8,036*	*6,721*	*5,677*
wood industry and building materials	*2,142*	*1,944*	*1,907*	*1,739*	*1,718*
light industry	*3,241*	*2,943*	*2,840*	*2,792*	*2,084*
food industry	*1,702*	*1,802*	*2,042*	*1,963*	*1,999*
transports and telecommunications	**2,556**	**2,709**	**2,152**	**4,831**	**3,944**
architecture and constructions	**10,504**	**11,148**	**12,955**	**12,627**	**11,524**
agriculture (veterinary medicine included)	**6,380**	**7,075**	**8,236**	**9,213**	**9,604**
agriculture	*4,316*	*4,858*	*5,873*	*6,431*	*6,782*
veterinary medicine	*2,064*	*2,217*	*2,363*	*2,782*	*2,822*
forestry	**506**	**794**	**874**	**1,605**	**1,257**
other technical activities	**-**	**1,944**	**4,544**	**5,137**	**4,982**
economical sciences	**15,493**	**20,003**	**24,801**	**35,279**	**39,867**
other specialities*	**35,829**	**52,266**	**66,689**	**82,293**	**99,075**

* medicine-pharmacy, legal sciences, teachers' higher education, arts education
Source: Education in Romania. Statistical Data, National Commission for Statistics, Bucharest, 1994

2.3.6 Teaching staff of various educational levels in the period 1989-1994

Level of education	89-90	90-91	91-92	92-93	93-94
Vocational, complementary, and apprenticeship education teaching staff	1,898	4,209	5,319	5,193	6,222
Post-high school and technical foremen education teaching staff	-	138	254	340	1,129
Higher education teaching staff	11,696	13,927	17,315	18,123	19,130

Source: Education in Romania. Statistical data, National Commission for Statistics, Bucharest, 1994

2.3.7 High school teaching staff in the school year 1993/1994

Type of high school	Number of teaching staff
Total of teachers	59,488
of which	
Industry	*25,557*
Agriculture	*4,773*
Forestry	*243*
Economic, administrative, and services	*3,099*
Cybernetics	*645*
Metrology	*55*
*Other types**	*25,116*

* theoretical, health, teachers' colleges, arts, physical education and sports, military, theological seminaries, special schools for disabled
Source: Education in Romania. Statistical data, National Commission for Statistics, Bucharest, 1994

3 Major legislative Decisions regarding Education, Qualification, Requalification, and further Training, and social Assistance

1 The Constitution of Romania 48
2 The Education Law 48
3 Law No. 2/1971
regarding further vocational training of state unit employees 53
4 Law No. 5/18 December 1985
regarding the increase of labour productivity, improvement of organization, and standardizing production and labour 54
5 Law No. 1/1991
regarding the social assistance of the unemployed and their professional integration 55
6 Law No. 72/1991, December
to modify and complete Law No. 1/1991 regarding the social assistance of the unemployed and their professional integration 55
7 Law No. 57/1992
regarding the employment of handicapped persons 56
8 Law No. 86/1992
to modify and complete Law No. 1/1991 regarding the social assistance of the unemployed and their professional integration 56
9 Governmental Decision No. 288/1991
regarding qualification, requalification, and further vocational training of the unemployed 57
10 Governmental Decision No. 463/1991
regarding the subsidizing of the salary for new high school and vocational education school-leavers and higher education graduates 60
11 Governmental Decision No. 283/1993
regarding some measurements for the university year 1993/1994 60
12 Teaching Staff Status (project) 61

1 The Constitution of Romania

Article 32

(1) The right to education is provided by compulsory general education, high school and vocational education, higher education, as well as other forms of education and further training.

(2) The Romanian language is the language of instruction at all levels. According to the law, instruction can also be given in an international language.

(3) The instruction of national minorities in their mother tongue and the right use in this language are guaranteed; the ways of exercising these rights are constituted by law.

(4) According to the law public education is free.

(5) The education institutions, including the private ones, are initiated and they carry on their activity as law stipulates.

(6) Autonomy of the universities is guaranteed.

(7) The State assures the liberty of confessional education, according to the special requirements of each religion. In public schools, the confessional education is organized and guaranteed by law....

2 The Education Law

Article 4

(1) The ultimate aim of education is to shape one's personality by:

...

g) giving the young generation vocational training so that young professionals may engage themselves in useful work for the production of material and immaterial goods...

...

Article 6

Compulsory education consists of eight grades. Attendance of eight-grade schools is no longer compulsory over the age of 16 years.

Article 7

...

(3) Public education is financed from the state budget and local budgets. Allocations for education are indicated distinctly in the state budget and local budgets.

(4) Education can be financed also by economic agents.

(5) Education can be supported through scholarships, study credits, fees, grants, sponsorships, from one's own or other legal sources...

...

Article 10

(1) The public education institution and unit network is organized and approved by the Ministry of Education, in respect of population dynamics, and the present and future requirements for trained professionals.

(2) Local authorities and economic agents may establish and finance school units in conformity with the law...

...

Article 12

(1) The Ministry of Education, in consultation with other institutions and Ministries concerned, makes, substantiates, and implements the general education strategy; and it sets the objectives of the education system in general, and also of each separate level and field of education

...

(3) The Ministry of Education, in consultation with the parties interested in developing specific forms and kinds of education, is in charge of study plans, curricula, and textbooks for pre-university education. As far as higher education is concerned, academic plans and curricula are

made in conformity with university autonomy and national standards

...

Article 15

(7) Pre-university education is subordinated to the Ministry of Education through school inspectorates; higher education is coordinated by the Ministry of Education with due respect for university autonomy

...

(12) Under specific circumstances, school groups providing vocational, secondary and post-secondary education can have one and the same management

...

Article 22

(1) At the end of their lower secondary education, students take a capacity examination, whose methodology is developed by the Ministry of Education in the following subjects: Romanian Language and Literature, Mathematics, Romanian History, and the Geography of Romania. Students belonging to ethnic minorities who take lower secondary classes in their mother tongue are to take an examination in the respective language and literature, too.

...

(3) The students who passed their capacity examination are issued a capacity certificate. Those who failed may be issued with their transcripts, should they request so.

...

Article 24

(1) As a rule, secondary schools provide theoretical training which is two-pronged, i. e. in sciences and humanities, or training in a specific field such as: information, education, engineering, economics, administration, transport, agriculture, forestry, mountain agriculture, armed forces, arts, sports, and theology - i. e. seminaries.

(2) Secondary schools can train in one or more fields. Within a field, narrow specialization classes can be set up, as well as special classes for highly capable students, this matter is subject to approval by the Ministry of Education.

(3) Speciality secondary schools, which also issue graduates a vocational certificate in addition to their school-leaving certificate (or baccalaureate),.can offer programmes that take five years for completion, in which case they must be supported by a Governmental Decision.

Article 25

....

(2) Lower secondary school graduates who hold capacity certificates can contest admission to a secondary school.

...

(4) A high school entrance contest will include the following tests:
Romanian language and literature (written);
mother tongue and literature (written): this examination is taken by candidates for classes where tuition is given in the language of ethnic minorities;
mathematics (written)

...

Article 26

(1) High school studies end in a baccalaureate examination. It differs with the specific field of a high school and class and the student's choosen option

...

(2) After having passed a speciality subject examination and a speciality paper and a practical test, a student qualifies for a vocational certificate...

...

Article 28

(1) A graduate who has passed the examination is issued a baccalaureate diploma and a vocational certificate, as the case may be may be. The vocational certificate issued to graduates, as provided in paragraph 2 of Article 26, is unconditional on their baccalaureate examination.

(2) Secondary school graduates who did not take or pass their baccalaureate examination are issued with graduation certificates and transcripts on request

...

Article 29

Vocational education is given in form of full time or part time training in vocational schools and apprenticeship schools. Such schools can operate independently or under school groups.

Article 30

(1) The vocational education network is organized by the Ministry of Education in consultation with the agencies concerned

...

(3) Study plans and curricula are drawn up and approved by the Ministry of Education in consultation with the agencies concerned

...

Article 31

(1) Lower secondary school graduates with a capacity certificate qualify for enrolment in vocational schools.

(2) It takes between two and four years to be trained in a vocational school.

(3) Admission to vocational schools is decided regarding the results of tests and prepared by the respective schools.

Article 32

Training or retraining courses can be given by vocational schools on a contract basis, on request from economic agents and public or private institutions.

Article 33

(1) Lower secondary school graduates, with or without a capacity certificate, may enrol in apprenticeship schools for the acquisition of essentially practical skills.

(2) Training in apprenticeship schools may take 1 to 3 years.

(3) Apprenticeship schools operate within vocational schools.

(4) Admission to apprenticeship schools is by specific tests.

Article 34

(1) Vocational and apprenticeship school education ends with an examination.

(2) A diploma confers the right to a graduate to practice the trade he/she was trained for

...

Article 35

Vocational education and its organization, and entrance and end-of-school examinations are regulated by the Ministry of Education by way of a specific methodology.

Article 36

The students and graduates of vocational schools with a capacity certificate may continue their education in secondary school as this law provides.

...

Article 45

...

(3) Children in need of special education who could not be transferred back to regular non-special education by the time they graduate from primary school will continue to attend different special schools - lower secondary, vocational, secondary, and post-secondary schools - according to the type and degree of their disability

...

Article 51

(1) Post-secondary education is organized by the Ministry of Education on its own initiative or on the request of economic agents or other institutions concerned.

(2) The fields of interest and speciality groups that are established are decided by the Ministry of Education jointly with the Ministry of Labour and Social Protection, on the proposal of the parties concerned.

(3) Any person who requires the establishment of a post-secondary school or enrolment in this type of programme will ensure its financing under contract with the Ministry of Education, except for post-secondary medical schools which are financed by the Ministry of Education.

(4) Foremen's schools are post-secondary schools.

(5) The duration of post-secondary programmes may vary from 1 to 3 years.

Article 52

(1) Admission to post-secondary programmes is competitive.

(2) High school graduates with or without a baccalaureate diploma are eligible for enrolment in the admission examination. Only holders of a baccalaureate diploma can contest for the admission to post-secondary medical schools.

(3) The tests and terms of the contest, enrolment quotas and the entrance contest methodology are to be decided by the Ministry of Education jointly with the initiators.

Article 53

(1) Post-secondary education ends with an examination

...

Article 54

State obligations with respect to post-secondary education are established every year by a governmental decision.

Article 55

Higher education is provided in education and research units: universities, institutes, academies, conservatories, and colleges

...

Article 57

University (undergraduate) education is open and includes:
a. short-term university education
b. long-term university education.

Article 58

Public university education is free, except for entrance examination fees, registration and re-registration fees, re-examination fees, and fees for repetition years and failed graduation or degree examinations. Fees can also be charged for extra-curricular teaching activities, requested by students and approved by the professorial board of a faculty. Fee rates are decided by university senates.

Article 59

(1) Secondary-school graduates with a baccalaureate diploma can contest for the admission to university education. The entrance contest is organized by each higher education institution on the general criteria decided by the Ministry of Education. There may be two admission contests.

...

Article 60

(1) Programmes can be day (full-time), evening (part-time), and extra-mural (correspondence) ones. Evening and extra-mural programmes can only be offered by education units that also give day programmes.

...

Article 62

(1) Short-term university education provides three-year programmes ... in university colleges, which may be part of long-term university institutions

...

Article 63

(1) Admission to colleges is on the same criteria as for long-term university education

...

Article 66

(1) Long-term university education is provided in universities and other similar institutions - institutes, academies, conservatories - in licensed or accredited faculties or fields

...

Article 67

(1) The length of full-time programmes in long-term university education, which varies with the field from 4 to 6 years, is set by governmental decision. Changes in the length of programmes can be made only when a new class of freshmen is admitted.

(2) Long-term university education ends in a bachelor's degree examination which includes a degree paper or project plus general and speciality tests. The criteria for the bachelor's degree examination are set by the Ministry of Education, and its methodology by university senates

...

(5) The name of the degree is decided by the Ministry of Education in conformity with international standards

...

Article 70

(1) Postgraduate education provides specialization or further training in the field one holds a degree in or has graduated from, which is certified by a diploma.

(2) Postgraduate education is given in purposefully licensed higher education institutions and advanced schools by way of master programmes, doctoral programmes, advanced academic courses, specialist courses, and further training programmes

...

Article 105

(1) Private pre-school and pre-university education includes kindergartens, primary and lower secondary schools, vocational and apprenticeship schools, secondary schools and post-secondary schools.

(2) Kindergartens, primary schools, and lower secondary schools, as well as vocational and apprenticeship schools can

be established if they have been issued a licence by a school inspectorate on the basis of an evaluation documentation.

(3) Secondary schools and post-secondary schools can be set up on the advice from a school inspectorate and with the consent of the Ministry of Education on the basis of evaluation documents

...

Article 108

(1) Study programmes in private pre-university education are similar or alternative to those in public education and include compulsory, elective, and optional disciplines, in compliance with national standards

...

(3) Similar or alternative study programmes and curricula for private pre-university education are to be approved by the Ministry of Education

...

Article 111

The diplomas or certificates issued by private pre-university institutions, established under this law, have the same value and effects as study certificates issued by public schools if graduates take their examinations in front of lawfully appointed commissions

...

Article 113

Private higher education institutions operate in conformity with the law on the accreditation of higher education institutions and diploma recognition and the provisions of this law

...

Article 117

(1) Cooperative education is provided in co-operative-owned units.

(2) Cooperative education is financed from the co-operatives' own funds, tuition fees and other sources.

(3) The Ministry of Education provides state budget funds to meet the payroll costs of teaching staff, except for practical-activity instructors.

Article 118

Individuals belonging to ethnic minorities are entitled to receive instruction in their native language at all levels and in all forms of education, as this law provides.

Article 119

(1) Subject to local needs, groups, classes, sections or schools teaching in the languages of ethnic minorities can be set up on demand and in conformity with the law

...

Article 120

(1) Romanian language and literature are to be taught in primary schools according to curricula and from textbooks specially made for the minority concerned. In lower secondary schools and in secondary schools the Romanian language and literature curricula and textbooks are the same as for the classes where tuition is given in Romanian.

(2) In lower secondary schools and in secondary schools, Romanian history and the geography of Romania are to be taught in Romanian by the same curricula and from the same textbooks as for the classes where tuition is in Romanian. Examinations are to be taken in Romanian. In primary school these subjects are taught in the mother tongue.

(3) World and Romanian history curricula and textbooks will include the history and traditions of Romania's ethnic minorities.

(4) On request the history and traditions of an ethnic minority can be taught in the mother tongue in lower secondary schools. The curricula and the textbooks for this discipline are to be approved by the Ministry of Education

...

Article 122

(1) Specialist training in public vocational secondary schools - of engineering, economics, administration, agriculture, forestry, and mountain agriculture - and in post-secondary schools is given in Romanian; however, provisions are made for the technical language to be taught also in the mother tongue, if possible

...

Article 123

In public higher education, on request and in conformity with this law, sections and groups with tuition in the mother tongue can be organized to train the necessary personnel for teaching and cultural-artistic activities.

Article 124

Entrance and graduation examinations are to be taken in Romanian in schools of all levels. Admission contests and graduation examinations can be taken in the mother tongue in such schools, classes, and specialities that give tuition in that language, subject to the provisions of this law.

Article 125

The Ministry of Education provides training and further training for the teaching staff in the language they teach in, as well as textbooks and other teaching material.

Article 126

The management of education units and institutions with classes, sections, groups or subdivisions providing tuition in the languages of ethnic minorities will include a proportional representation of the teaching staff from those minorities, with due respect for professional capability.

...

Article 133

To put the conditions for continuing education in place, the Ministry of Education, jointly with the Ministry of Culture and other Ministries concerned, as well as with the mass media, religious denominations, people's universities, cultural foundations, religious denominations, and other societies and institutions, takes action to give the individuals of every age group better access to science and culture so that they can adjust to major changes in social life.

Article 134

Through its units and institutions the Ministry of Education provides assistance on a contract basis to initiators of adult training schemes as part of continuing education and retraining programmes, or may initiate such schemes itself.

Article 135

(1) Ministries, national authorities (régies autonomes), commercial companies, other natural persons or legal entities can, jointly with education institutions or separately, run adult training and refresher programmes to improve the qualifications of their present or future employees, or to retrain them...

(2) Such programmes as provided in (1) are not certified by the Ministry of Education, except for the retraining courses given jointly with the Ministry of Labour and Social Protection to the jobless for re-employment. Should such

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courses be given on the basis of programmes advised by the Ministry of Education, their graduates shall be issued with certificates recognized by the Ministry of Education.

Article 136

(1) Open or distance education institutions and systems using modern information transmission and processing technology can be developed with the Ministry of Education's consent for adult education or for the attainment of specific goals of the education system.
(2) The expenditure incurred by this education system is financed by users and the institutions concerned
...

Article 141

The Ministry of Education manages the national education system and its basic functions are:
...
b) to organise the public education network and to propose enrolment quotas to the Government, in consultation with education units, local authorities and businesses concerned, on the basis of forecasts;
...

Article 142

School inspectorates are specialist bodies subordinated to the Ministry of Education with the following main functions:
...
c) to set up public education units - kindergartens, primary schools, lower secondary schools, vocational schools, and apprenticeship schools;
...
j) to monitor all pre-university education activities and services provided by economic agents, foundations, associations, religious denominations and other natural persons or legal entities in the area under their jurisdiction; to identify any infringements of the law and take such measures as the law provides;
...

Article 151

(2) The teaching staff includes:
...
d) instructors - in lower secondary, vocational, secondary, and post-secondary education

e) professors - in lower secondary, vocational, secondary, and post-secondary education
...

Article 155

The Ministry of Education shall ensure the training and further improvement of the training of the teaching staff in the national education system; and set, by way of specialist bodies, national teaching staff quality standards.

Article 160

The Ministry of Education coordinates and funds the further training of the teaching staff in pre-university education which is done in:

a) higher education institutions through their faculties, divisions, and departments, for specialist training;

b) higher education institutions through their teachers' training divisions or departments, for methodological, and psychological, and educational training;
...

Article 164

Improvement of the training of the teaching staff of public higher education is financed by the Ministry of Education from the budgets of education institutions and is to be achieved by:
a) documentation and experience exchange programmes at national and international level;

b) specialization and inter-university cooperation programmes - domestic as well as foreign;

c) postgraduate programmes, organized as this law provides;

d) research programmes - domestic or through international programmes;
...

Article 166

(2) ... physical facilities are:...microproduction units, school workshops, teaching and research farms ...

(3) The physical instruction and education facilities, referred to in paragraph 2 and built with State money or financed by State-owned institutions and enterprises prior to 22 December 1989, are to be restored to the ownership of the Ministry of Education, education and research institutions, and units in the public education system. Furthermore, the Ministry of Education is to be reinstated to the ownership of its buildings which became the property of commercial companies under paragraph 2 of Article 20 of Law 15/1990. Reinstatement without compensation is to take effect within 60 days of the publication of this law.

(4) While public higher education institutions are by law the owners of their physical facilities, until a law on the State's public and private property is enacted, the physical facilities of pre-university education units will remain the property of the Ministry of Education, except for school units organized jointly with economic agents.

Article 167

(2) The repair and maintenance costs of physical and material facilities of pre-university education units are financed by local councils from specific State Budget appropriations and from local budgets, as well as from their own resources.

(3) The relevant Ministries, public authorities, and the businesses concerned make their contribution on a contract basis to the maintenance, expansion and modernization costs of the material and practical activity facilities of vocational, secondary, and post-secondary education units
...
(5) The State Budget allocation to the Ministry of Education is distributed distinctly with respect to kind, level, and form of education.
...

Article 169

(1) Public education is financed from the public budget with the equivalent of at least 4 % of the gross domestic product in consideration of the following requirements:

a) the development of education is a national priority if human resources are to be trained to international standards;

b) the professionalization of human resources should match labour market diversification;

c) higher education and university research should develop to foster top-level integration in the world's scientific community.

(2) The education financing system ensures the decentralization of funding management all while allowing

local communities to step in and make additional allocations for education.

(3) Education institutions and units can mobilize additional sources of revenue, provided by the law, such as: own revenue, subsidies, grants, and sponsorship money and fees from legal entities and natural persons. The revenue from these sources are fully managed and used by the institution, as no payments are due to the state budget and state budget allocations are to remain unaffected.

Article 170

(1) Full-time students of public schools qualify for merit scholarships and study scholarships.

(2) Students may also qualify for social support, grants from economic agents or other legal entities or natural persons on a contract basis, as well as study loans extended by banks on such terms as the law provides.

Article 171

(1) Maintenance costs of boarding schools, residence halls, and cafeterias are met from the respective units' and institutions' own revenues; they are to be complemented by state budget and local budget subsidies.

(2) Public higher education institutions shall meet the food, accommodation and transport costs incurred by the students practical activities away from the university center for the duration specified in education plans.

Article 172

Textbooks for pre-school, primary, and lower secondary education are provided free of charge. Students enrolled in vocational and secondary schools whose parents make a monthly income per family member that is equal to or below the minimum national wage are also eligible for free school books.

Article 173

Pre-schoolers, schoolchildren, and students are given free medical care and psychological assistance in school medical and psychological offices or in state-owned polyclinics and hospitals.

Article 174

(1) Schoolchildren and students qualify for half the regular fare rate on the local public transportation network during the school year. Full-time commuting schoolchildren and students are eligible for the same rate.

(2) Schoolchildren and students are eligible for one 50 % round-trip fare home on domestic road, rail, and shipping services to go home during each school holiday period
...

3 Law No. 2/1971 regarding further vocational training of state unit employees

Chapter I: National system of further vocational training of state unit employees

Article 1

In Romania, further vocational training is a primordial duty of all workers and, at the same time, a permanent obligation of the administrative bodies of the state units. The administrative bodies of the state units have to provide conditions so that each employee should periodically attend forms of further occupational training according to his/her duties at the working place. In order to develop a systematic schedule of this activity, beginning with 1971, the national system of further vocational training of all employees is organized.

Article 2

Through further vocational training of employees the following is aimed at:

a) systematic progress and enrichment of professional knowledge, deepening of the basic speciality domain, acquiring the new achievements in science, technique, and culture related to the respective speciality or in strict connection to it (the retraining phenomenon);

b) getting a further qualification beside the basic occupation (poliqualification);

c) change of qualification, in case the basic occupation does no longer correspond to the requirements of modern technique and economic structure or it cannot be performed any longer because the working capacity is affected (vocational retraining);

d) acquisition of modern methods and procedures in the management and scientific organization of production and labour, as well as economic knowledge necessary for implementing the job duties.

Article 3

Further vocational training of employees can develop within enterprises, central status units, Ministries, other central bodies of the state administration, further training centers, research and design institutes, education units, and other institutions. It is achieved through the following types:

a) inset-training under the direct control of the chief;

b) courses organized within the unit, outside of the unit, and in further training centers for employees;

c) individual further training programmes sanctioned with a periodical checking of the assimilated knowledge;

d) practice and specialization stages in the respective unit or other units from the country or abroad;

e) certification, after being employed, by an education unit, including post-university education;

f) a philosophical degree.

Article 9

Further professional training of employees attending post-university courses and the philosophical degree develop under the auspices of the Ministry of Education, according to the laws in issue, in collaboration with the other interested Ministries and bodies.
Post-university education represents a form of further training of graduated specialists from different fields of science, technique, and culture. It is organized in sections or faculties within the high education institutes.
Post-university courses can also be developed within research and design institutes as approved by the Ministry of Education.

Article 10

Ministries and other central bodies of the state administration set up special further training centers according to their necessities.

Article 11

Further occupational training programmes for workers organized in enterprises and institutions are usually developed on the job.

Organization of off-the-job further training is approved by Ministries, the other central bodies... for their subordinated units.

Article 12

Further training is distinctly organized on levels of studies and specialities, under consideration of the needs of the units, basic qualification, requirements of personnel, and their perspectives in promotion.

Also, according to the necessities, further training courses in their mother-tongue will be organized for national minorities.

Article 13

As it is the case, further training courses will be certified by theoretical and practical tests, papers, examinations, certificates, according to the conditions established by Ministries and the central bodies of state administration, provided the specificity of training and activity in any branch and unit.

The certification is issued by the state units or further training centers, where these further training sessions for employees' vocational training are developed...

Chapter II: Rights and obligations of state units and workers of these units

...

Article 15

Ministries and the other bodies of state administration set up the forms of further training as well as their length and cycle retraining on categories of workers, foremen, technicians, officers, speciality personnel, leaders.

Article 16

Within any organization, specialists teams should be formed who have to support the leading boards of the units in the yearly and perspective planning of further vocational training, its forms, subjects, and methodology.

Article 17

Ministries, the other state central bodies, local bodies of state administration, as well as their subordinate units have the obligation to provide the material means necessary for further vocational training development.

In case of economic units, the necessary expenses for this further vocational training process are included in the production cost or investment funds; in case of budgetary units expenses are spent from the budget.
Expenses for post-university courses are covered from the units' contribution for the attendants they sent to these further training courses.

Article 18

The administration boards of the state organizations are obliged to supply the teaching and training personnel for these further training courses organized in their own units.

The teaching and training personnel is selected from the specialists of the unit, central body, Ministries, research and design units, educational units, academies, scientific societies, and professional associations.

Article 21

Lifelong education of teachers is a job duty in all state units

...

Article 22

Teaching personnel, foremen included, are obliged to have preoccupations in lifelong education.

Article 23

In case of promotion or job keeping, getting wage grades and sub-grades, and further payments both the results in work and further training will be taken into consideration.

Article 24

In case of off-the-job further training, in one or more stages, the attendants get the salary from their job all along during the period of their studies.

Chapter III: Role of Educational Institutions, Scientific Institutions, Professional Associations and Community Organizations

Article 25

The Ministry of Education is responsible for guiding and coordination of further vocational training activity. The educational units are obliged to support the state organizations in carrying out further training programmes, in organizing, and well-development of such an activity.

Article 26

In the further training of workers, foremen, technicians, engineers, and other graduates, the material base of the institutes, research centers and laboratories, design units or of the local offices of labour assistance organization, as well as their specialists as teaching staff will be used.

Article 27

...

Scientific institutions and professional associations are obliged to participate in setting up and in the achievement of further training programmes for workers, foremen, technicians, engineers, doctors, teaching staff, specialists in economy, science and culture and to make their material base available, as well as to provide the specialists needed

...

Article 29

It is recommended that the trade unions of Romania should participate in providing measures for improving the qualification of workers, and should contribute effectively to the implementation of further vocational training

...

Article 31

Central and local press, radio, TV, and the other mass-media are recommended to participate systematically in supporting further vocational training

...

4 Law No. 5/18 December 1985 regarding the increase of labour productivity, improvement of organization, and standardizing production and labour

Section 4: Employees' further vocational training

...

Article 23

1) The continuous vocational training of the personnel from all branches of activity is tightly connected to the technical progress, high technicality level of machines, equipment and goods, and to higher forms of production and labour organization.

(2) Further vocational training of the working personnel develops in enterprises, companies, Ministries, other central and local organisms and is mainly carried on under the following forms:

a) on the job training, under the chief's direct control;

b) courses organized within the unit or other units;

c) individual further training programmes with a periodical evaluation of the knowledge assimilated;

d) practice and specializing probation in the respective unit or other units.

(3) Ministries, consortia, enterprises, research and education units, together with the Ministry of Education, the Ministry of Labour, and the Central Council of the General Union Trade Unions of Romania, will take measures, according to the law, to provide vocational training of the working personnel in trades and specialities and their continuous education corresponding to the exigencies of the contemporary techno-scientific revolution, to equip all national economic branches technically with high technicality tools and installations, to establish production automation and robotics, as well as to increase the complexity in the economic processes.

Article 24

Further vocational training will be differentiated on personnel categories related to their speciality, the level of education, the function in the production process, aiming at the acquisition of knowledge required by the work and production tasks at the highest qualitative level, within the necessary optimum time and with a minimal physical effort.

Article 25

(1) This further vocational training of the working personnel must ensure for each working man the knowledge of new and modern technologies, technical characteristics of machines, tools and installations newly introduced, of devices and modernizing elements for the existing ones, as well as their use, adjustment, maintenance and repair, getting familiar with them and proper use of measure and control devices specific to the production process.

(2) Through further occupational training, the working personnel's knowledge and use of the modern forms in units, sub-units and their working place management shall also be increased.

(3) The working personnel training is to be carried out in broad fields that will enable them with a supplementary qualification that would give them the opportunity to run more machines and tools, or to be rapidly reintegrated into work in case of changing the working place...

5 Law No. 1/1991 regarding the social assistance of the unemployed and their professional integration

Article 1

Persons able to work, who cannot be employed because of the unavailability of jobs corresponding to their training, are considered unemployed and benefit, under the present law's conditions, from unemployment payment and other forms of social assistance for their occupational reintegration through qualification and requalification.

Article 2

The following categories of persons have the right to receive unemployment payment, under the conditions of the present laws:

a) school-leavers of already 18 years of age who, have no income and who in a period of 60 days, could not succeed in getting a job corresponding to their occupational training; the unemployment payment will be at least half the minimum basic, gross, and indexed salary of the country;

b) youngsters who, before they did their military service were not employed with a labour contract and who, in a period of 30 days from their discharge, could not get jobs;

c) persons whose labour contracts were broken off at the unit's initiative for reasons unimputable to themselves;

d) persons whose labour contract was cancelled because of their own initiative for reasons that, according to the law, do not constitute an interruption in the length of service when re-employed;

...

f) persons who were employed with a labour contract for a determined period and who ceased the activity when the contracted period ended, if they have done at least 6 months of service preceding the date of their request for unemployment payment...

6 Law No. 72/1991, December to modify and complete Law No. 1/1991 regarding the social assistance of the unemployed and their professional integration

...

Article 2

a) In cases when there are no legal tutors, school-leavers who are already 16 years old have the right to get unemployment payment...
Handicapped school-leavers who are not employed will be immediately registered after leaving school...

Article 9

(1) The unemployment payment is mostly paid for 270 calendar days, while the unemployed are obliged to participate in qualification or requalification courses for a new trade or speciality, set up by the labour and social assistance offices...

Article 20

The Funds for unemployment payment have the following sources:

a) a 4 % quota from the salary fund in gross value, achieved monthly by the physical and legal Romanian and foreign persons living in Romania who employ a Romanian personnel, as well as from the incomes achieved by the physical persons authorized in developing individual activity, and by the familial associations that develop an activity meeting the Decision - Law No. 54/1990;

b) a 1 % share of the monthly gross, basic salary, paid to the physical and legal persons by the employed, as stipulated under a);

c) a 1 % share of the monthly gross income obtained by the cooperation workers;

d) a subsidy from the state budget to complete the funds in case the source from a), b), and c) cannot cover the pays required....

7 Law No. 57/1992 regarding the employment of handicapped persons

Article 1

The socio-occupational integration of handicapped persons through employment and the earning of incomes is carried out in conformity with the general legislation of labour and the other legal regulations in issue, as well as the special provisions of the present law.

Article 2

(1) Handicapped persons can be employed by physical and juridical persons who employ personnel, and they can practice professions according to their physical and intellectual capacity. They can also be employed in protected working places, specially organized and providing corresponding facilities and adjustments.

(2) Related to the number of employed handicapped persons, protected working places and units, specially organized, can be initiated at the request of the handicapped associations with the help of the County Inspectorates for Handicapped Persons and local authorities.

(3) The protected units, specially organized, have to have at least 70 % handicapped persons of the personnel number.

(4) The protected units organized for the blind persons will have at least 50 % handicapped persons out of the personnel number

...

(7) At the handicapped persons' request, the labour day can be reduced with 1 - 2 hours, accordingly diminishing the wages, but without affecting the length of service.

Article 3

The protected units can also employ handicapped persons working at home, providing the transport of raw materials and finished articles from and to the unit.

Article 4

(1) The State Secretariat for Handicapped Persons, together with the Ministry of Labour and Social Assistance, the Ministry of Health, the Ministry of Education, and the other central organisms, will set up the list of professions in which handicapped persons have priority, or for which a special training will be organized, considering the specificity of the handicap.

(2) The Ministries and other central organisms, as well as the local administrative authorities, together with the State Secretariat for Handicapped Persons, will, in their own domains of activity, establish the working places where, within the limits of requests, handicapped persons can be employed

...

Article 8

....

(2) The Labour and Social Assistance Departments will take measures so that special school-leavers - vocational, high school, post high school persons, or persons completing qualification and requalification courses should be registered immediately in order to be employed in a working place corresponding to their training and handicap.

Article 9

(1) The juridical persons mentioned at Art. 2 Par. 3 benefit by a 50 % reduction of their taxes on the circulation of goods, and those mentioned at Art. 2 Par. 4 are tax-exempted

...

Article 12

The Central Commission for Handicapped Persons' Employment is constituted in addition to the State Secretariat for Handicapped Persons in order to guide and coordinate the training activities and selective employment in activities useful for handicapped persons.

...

8 Law No. 86/1992 to modify and complete Law No. 1/1991 regarding the social assistance of the unemployed and their professional integration

...

Article 3

The unemployment payment consists of a sum calculated differently, depending on the category of persons and length of service, as follows:

a) 60 % of the national basic, gross, and indexed salary, from which the tax has been subtracted, stipulated by the law, corresponding each person's situation, in case of the school-leavers of pre-university, vocational or apprenticeship education of the age of at least 16 years, or, as the case may be, 18 years, as well as of beneficiaries of unemployment payment who have worked less than one year;

b) 70 % of the national minimal basic, gross and indexed salary, from which the tax has been subtracted, stipulated by the law, corresponding to each person's situation, in case of the graduates benefiting from unemployment payment;

c) 50 % of the mean value of the least 3 months' basic, gross, and indexed salary, from which the tax has been subtracted, stipulated by the law, corresponding to each person's situation, in the case of beneficiaries of unemployment payment who have done 1 to 5 years of previous service, but not less than 75 % of the national, minimal basic, gross and indexed salary, from which the taxes have been subtracted, corresponding to each person's situation;

d) 55 % of the mean basic, gross, and indexed salary of the last 3 months, from which the tax has been subtracted, stipulated by the law, corresponding to each person's situation, in the case of beneficiaries of unemployment payment who have done 5 to 15 years of service, but no less than 80 % of the minimal national basic, gross, and indexed salary, of which the tax has been subtracted, corresponding to each person's situation;

e) 60 % of the mean, basic, gross, and indexed salary of the last 3 months, from which the tax has been subtracted, stipulated by the law, corresponding to each person's situation, in case of beneficiaries of unemployment payment who have done a minimum of 15 years of service, but no less than 85 % of the national minimal, basic, gross, and indexed salary, from which the tax has been subtracted, corresponding to each person's situation ...

...

Article 6

(3) Persons who have not been employed get the right to unemployment payment as follows:

a) after 30 days from graduating in pre-university and higher education from the date when they enlisted at the labour force offices or other competent organisms soliciting, according to the law, a job corresponding to their training;

b) after 30 days, since the persons, who ended the military service, addressed the labour force offices soliciting a job corresponding to their training;

c) from the date of their enlisting at the labour force offices in case of handicapped school-leavers.

(4) Women who ceased, according to the law, their activity, to bring up their children, as well as the persons whose quality of pensioner is no longer valid have the right to get unemployment payment, beginning with the date of their enlisting at the labour force offices

...

Article 11

(1) Persons who benefit from a legal unemployment payment without being employed and without a living support receive an allowance

...

Article 11.1

(1) The allowance is a sum equal to 40 % of the national minimal basic, gross and indexed salary of which the tax is subtracted corresponding to the allowance holder's situation.

(2) The allowance is given for a period of 18 months.

(3) In this period, the respective persons can attend qualification or requalification courses that must not pass the period of allotting the allowance

...

Article 18

(1) The unemployment payment or allowance ceases in the following cases:

...

c) in case of an unjustified refuse to get employed in a unit, with a labour contract for a non-determined or determined period at a working place corresponding to the unemployed's training and education, and his/her own situation and state of health;

d) at the date of the unjustified refuse to attend a qualification course or, as the case may be, at the date of leaving or uncertifying the organized course... for imputable reasons.

...

9 Governmental Decision No. 288/1991 regarding qualification, requalification, and further vocational training of the unemployed

(Reissued, based on Art. IV of Governmental Decision No. 296 of 4 May 1995, published in the Monitorul Oficial al României/Official Gazette of Romania/, Part I, No. 91 of 15 May 1995, whose provisions will come into issue in a period of 30 days from its publication in the Monitorul Oficial al României. The Governmental Decision No. 288 from 20 April 1991 was published in the Monitorul Oficial al României, Part I, No. 104 of 15 May 1991, and was modified by the Governmental Decision No. 171 of 19 April 1994, published in the Monitorul Oficial al României, Part I, No. 110 of 29 April 1994.)

Chapter I: Organization and development of qualification, requalification, and further vocational training courses for unemployed

Article 1

(1) The activity of qualification, requalification, and further vocational training of the unemployed has, according to Law No. 1/1991 on social assistance of the unemployed and their professional reintegration, the goal to develop the frameworks for the social assistance of unemployed persons, and to give them larger opportunities for their occupational reintegration.

(2) Qualification, requalification, and further vocational training of the unemployed are organized by the labour and social assistance departments, as follows:

a) through their own qualification, requalification, and further training centers for unemployed;

b) through the educational units organized in a convention-based way as the law stipulates;

c) through other units - autonomous institutions, commercial societies, economic state or private economic agents, authorized according to the law, and convention-based.

Article 2

The trades, specialities, functions, and activities that the unemployed are to be qualified, requalified or trained further for are established upon a documentary base, specialized analyses and studies regarding the present and future necessity of labour force, related to territorial needs, as well as at the expressed request of the economic agents or unemployed who want to develop an authorized activity.

Article 3

(1) The plans and programmes for these courses or other training and further training forms for the unemployed are drawn up by the training units mentioned under Art. 1 or by physical persons in speciality and are sanctioned by the Ministry of Labour and Social Assistance.

(2) The training plans and programmes for complex trades or activities are generally carried out in a modular system: a basic module (for qualification) and complementary modules (for further training).
The complex trades and activities in a modular training system are established by the Ministry of Labour and Social Assistance and the Ministry of Education.

Article 4

(1) The vocational training of unemployed may last up to 9 months and is settled differently as related to the complexity of the respective trade or activity within the training plans and programmes. In special cases, the Minister of Labour and Social Assistance can approve, consequent to a justifiable documentation, a longer period of training but no longer than 24 months.

(2) In case of requalifying persons in trades, professions, or activities about which they already have some knowledge or practical skills the length of the training programmes can be reduced up to half the length of a similar course by the organizers.

(3) The professional training of the unemployed can be developed both during the period of unemployment payment or payment for professional integration and during the period of allowance. The training begun in the period of receiving unemployed payment or professional integration payment can be continued during the period the person receives the

allowance, without being allowed to pass over the period of its distribution.

Article 5

(1) The persons benefiting from unemployment payments or professional integration payments as established by the Labour and Social Assistance Department have the obligation to attend one of the professional training forms in order to be reintegrated into work or to develop an authorized activity.

(2) Persons who have the ability to work in the respective trade, profession or activity and have the corresponding studies, and who were selected and professionally-guided are admitted to attend these training courses organized under the present decision.
For some trades or simpler activities that do not require a theoretical training, there can be admitted persons who have not finished their compulsory education, but who have the minimal test-checked knowledge necessary for learning the respective trade or activity.

(3) In cases of jobs in economy or administration where the competition of applicants for the qualification, requalification or further training courses is larger, the Labour and Social Assistance Departments, together with the units interested, can also establish other guiding principles and a professional selection, including psychological and ability testing of the applicants.

(4) Persons with a diminished ability for working or with disabilities will be included into the qualification, requalification or further training courses only if they have the recommendation of the medical expertise and labour capacity recovery commission.

Article 6

(1) The persons who receive unemployment payment, professional integration payment or allowance and are admitted to the qualification, requalification, further training courses or other professional training courses are obliged to sign a commitment with the Labour and Social Assistance Department, which constitutes an executionary title ("titlu executoriu") as law says, in case the holder disregards the assumed obligations.

(2) For persons who receive unemployment payment, professional integration payment or support grant and are admitted to professional training at the request of the economical agents mentioned under Art. 2, the Labour and Social Assistance Departments will sign conventions with these agents regarding their further employment.

Article 7

(1) Qualification, requalification or other forms of professional training include theoretical and practical training or only practical training or only theoretical training, as the case may be.

(2) The theoretical training is provided, as the case may be, within the qualification, requalification, and further training centers or the units specified at Art. 1 Par. 2 b) and c); the theoretical training programme can be organized, according to certain conditions, in 1-2 days a week, fused or in 2-3 cycles.

(3) The practical training is generally developed in that unit where the persons are to work, for the unemployed in other units established by the organizers of the courses or qualification, requalification, and further training centers.

Article 8

(1) Completion of qualification, requalification or further training courses for the unemployed implies a theoretical and practical examination or only a practical one, as the case may be. The theoretical examination is taken in front of the examination commission, set up at the Labour and Social Assistance Department, and the practical examination at the working place where the practical training was developed.

(2) The examination commission is appointed by the director of the Labour and Social Assistance Department and it consists of: a person who is responsible for the course, a representative of the Labour and Social Assistance Department, and 1 to 3 specialists with one belonging to the unit where the course-leaver is to be employed.

Article 9

(1) The persons who have completed the qualification, requalification or further training courses, organized according to the present decision, are given certificates, which empower them with the right to practice the trade, profession or speciality they were prepared for by the qualification, requalification, and further training centers for the unemployed or, when there are no such centers, by the territorial labour and social assistance departments.

(2) The system of organizing, development, and completion of the qualification, requalification, and further training courses, and other professional training forms for the unemployed will be regulated through methodological norms approved by the Ministry of Labour and Social Protection.

Article 10

The person who receives unemployment payment, professional integration payment or allowance and participates in different forms of professional training has, according to the law, the following rights and obligations:

A. Rights:

a) to receive unemployment payment, professional integration payment or allowance for all the time he is trained and, furthermore, up to the date of his/her employment or until he/she begins an authorized activity, without overpassing the terms provided by law;

b) to benefit from the social assistance rights, including invalidity pension, state grant for children, and free health assistance, set up for employed persons through the law for the whole period stated under a);

c) to benefit from free writing materials and training materials and receiving textbooks for use;

d) to benefit from protection clothes and equipment, during the practical training, as the law stipulates;

e) to get, a payment of up to 10 % of the operation's value or work done during the practical training according to the obtained results; the adherent sums are set up by the units where the practical training is developed;

f) to get free accommodation in hostels and money for meals in conditions similar to the employed staff, in case he/she cannot travel daily or lives at a greater distance than 50 km away from the training unit; in case that accommodation cannot be supplied in hostels, the unit where the person who benefits by an unemployed payment, professional integration payment or allowance is to be employed will meet the expenses equivalent to a 2 stars hotel;

g) to get a free ticket for rail and auto transport if the training unit is placed in another locality at a greater distance than 5

km from home, as well as free tickets for two means of city transport;

h) to drop out of the course when getting employed or beginning an authorized activity, attested with an employment certification, running license, or if his/her health condition, as medically attested, does not allow the person to continue the course;

i) to continue the course, begun when unemployment payment or professional integration payment was received, in case the person does not have the right to an allowance, and without paying the training expenses until the course ends.

B. Obligations:

a) to respect the contract with the Labour and Social Assistance Department, according to the provisions of Art. 6;

b) to attend regularly the timetable course; the absences without leave are sanctioned by the organizer through diminishing the payment mentioned at A e), corresponding to the number of missed classes; if the number of absences without leave is over 10 % of the total classes set in the training curriculum, the student will be expelled and will lose the right to attend another free course;

c) to respect the labour protection norms and discipline during the course;

d) to return the expenses of the training if he/she, after the completion of the course, refuses the job without good reasons.

Article 11

(1) The expenses for the qualification, requalification, and further training of persons who receive unemployment payment, professional integration payment or allowance are paid by the Labour and Social Assistance Departments from the funds for unemployment payment.
These expenses include the participation tax for each person, the expenses mentioned in Par. 3 of this article, in Art. 10, A c), d), g), i), in Art. 17 Par. 2, and in Art. 18 Par. 2 of the present decision.

(2) The tax for the participation in courses or other forms of professional training is constituted by the centers or units where those took place, together with the territorial Labour and Social Assistance Departments, and they comprise, according to the law, the total expenses required for the qualification, requalification, and further training: expenses for staff, maintenance, administration, materials, and functional services.

(3) The expenses for editing printed materials, plans and training programmes, textbooks, teaching aids, advertising in press, radio, television, as well as the organization of information and spreading activities on the labour market and the market of professional training are taken from the funds for unemployment payment.

(4) Up to 20 % of the funds for unemployment payment will be clearly allotted to cover the expenses adherent to the unemployed's professional training, as well as those mentioned at Par. 3. The amount of this fund, that can not be used for other purposes, will be established in relation to the budget of the funds for unemployment payment, an annex of the Law on the State Social Insurance Budget.

(5) Through conventions yearly contracted between the Ministry of Labour and Social Assistance, the branch trade units and owners' organizations can fix their contribution to finance the qualification, requalification, and further training activities; such conventions can also be contracted at a territorial level.

Article 12

(1) Incomes earned for services provided by the labour force centers and the qualification, requalification, and further training centers for the unemployed, as well as for the work done by the applicants during their training period, will be deposited into the Funds for unemployment payment after subtracting the payments that are made according to Art. 10 A e).

(2) The labour force offices and the qualification, requalification, and further training centers for the unemployed will according to the law be allowed to use a part up to 10 % of the incomes and interest received from the funds for unemployment payment for: the development of the material base, repairs of buildings and other fixed means, the equipment with fixed means and inventory objects, as well as personnel expenses.

Article 13

(1) The persons who do not meet the conditions of Law No. 1/1991, reissued, to receive the respective payments, as well as other persons who want to get trained, retrained or further trained can be admitted to courses under the conditions of Art. 5 Par. 2., whereby priority is given to those who want to initiate authorized activities.

(2) The participation tax of course is set up so that it may cover the expenses for the person who has not the quality of an unemployed, plus an income for the organizing unit.

(3) The incomes from this service obtained by the labour force centers and qualification, requalification, and further training centers for the unemployed are deposited to the funds for unemployment payment, and a part of them, up to 10 %, is to be used according to the present decision, Art. 12.

Chapter II: Creation, organization, and operation of the qualification, requalification, and further training for the unemployed

Article 14

(1) The Ministry of Labour and Social Assistance sets up qualification, requalification, and further training centers for the unemployed, which are organized and run under the supervision of the Labour and Social Assistance Departments, financed from the Funds for unemployment payment, according to the law, being public institutions for training and further training.

(2) The qualification, requalification, and further training centers for the unemployed are public institutions with the character of a juridical person.

(3) Up to 10 % of the incomes obtained from the services assured by the qualificaton, requalificaton and further training centers for the unemployed, mentioned under Art. 12, 13, and 15, will be used to extend the material base of these centers, to repair their buildings, other fixed means they possess, as well as for expenses for personnel.

Article 15

The qualification, requalification, and further training centers for the unemployed have the following goals regarding their activity:

a) to organize courses in their own or in other units for the unemployed qualification, requalification, and further training, as well as for the persons mentioned under Art. 13 at their or the units' request;

b) to perform, at request, services on methodological and speciality assistance for the qualification, requalification or further training courses for the unemployed, that take place in these units; to provide programmes and training documentation, as well as subjects for these units;

c) to participate, at the request of the Labour and Social Assistance Departments and other organisms that provide services, in carrying out studies and prognoses regarding the evolution of the labour market on trades, professions, and activities and regarding the changes which shall be made regarding their content.

Article 16

The activity goal, patrimony, name, and unit of the qualification, requalification, and further training centers for the unemployed, as well as their organization, are suggested by the Labour and Social Assistance Departments and are approved by the Ministry of Labour and Social Assistance based on its norms for creation, organization and operation which have already been stipulated. .

Article 17

(1) The district councils, local councils, and school inspectorates will set at disposal the necessary places for organizing the centers for the qualification, requalification, and further training of the unemployed. Thus, they will name these places and communicate them to the Ministry of Labour and Social Protection, in order to ensure their administration according to the law.

(2) In case that there is no possibility to find places corresponding to Par. 1, the centers for qualification, requalification, and further training of the unemployed might be run in rented buildings.

Article 18

(1) The financing of the activity of the centers for qualification, requalification, and further training of the unemployed is done according to Art. 24 b) and c) of Law No. 1/1991, reissued, as well as from donations and sponsorships.

(2) When the centers for the qualification, requalification, and further training of the unemployed are established, the expenses for place equipping, capital and current repairs of the buildings, equipment with furniture and teaching aids, salary of the staff supervising the works, and rent tax will be supported by the funds for unemployment payment, according to the law. These expenses will yearly be mentioned in the budget of the funds for unemployment payment, annex to the Law of the State Social Insurance Budget.

Article 19

The staff employed at the centers for qualification, requalification, and further training of the unemployed will be paid in conformity with the Governmental Decision No. 281/1993, regarding the payment of budgetary personnel.

Article 20

The responsibilities of the Labour and Social Assistance Departments, mentioned in the present decision, are exercised by the labour force offices through their speciality commissions or the centers for qualification, requalification, and further training of the unemployed.

Article 21

The Ministry of Labour and Social Assistance controls through its speciality departments the mode of organization and running of the qualification, requalification, and further training courses in centers and other units.

10 Governmental Decision No. 463/1991 regarding the subsidizing of the salary for new high school and vocational education school-leavers and higher education graduates

Article 1

(1) The graduates ... get jobs offered by the economic agents.

(2) The trading companies, autonomous administrations, and the other economic agents will establish, under conditions of an absolute autonomy, the jobs that can be offered to the graduates, and they will inform the County Labour and Social Assistance Departments about it for their further centralization at the Ministry of Education through the Ministry of Labour and Social Assistance

...

Article 2

(1) High school-leavers... are employed by the economic agents according to their trades, and they are to be practically trained in the first 9 months after which they are examined in order to obtain a certification

...

Article 3

(1) State and private economical agents that employ graduates by labour contract ... receive for each graduate during the first 9 months of employment the respective funds for salaries, equivalent to 70 % of the national minimal gross and indexed salary for graduates and 60 % of the minimal gross and indexed salary for high school-leavers.

(2) The sums necessary for the salary payment under the conditions mentioned at Par. 1 are monthly transferred to the economic agent by the Labour and Social Assistance Departments from the funds for unemployment payment.

Article 4

The Ministry of Labour and Social Assistance will issue regulations concerning the quantum of the salary fund for employed graduates and its transfer to the economical agents, as mentioned at Art. 3.

...

11 Governmental Decision No. 283/1993 regarding some measurements for the university year 1993/1994

...

Article 25

The vocational education comprises vocational schools at which 3 to 4 years of study in form of day courses is done, according to the training list. The vocational schools are organized by the Ministry of Education, school inspectorates, Ministries, commercial societies, autonomous units, other central organisms, as well as mayoralties. These schools are self-governing. When they are organized together with high schools, technical foremen schools or post-high schools of speciality, they become school groups with a unique leadership. In the educational process, organized in these schools, the vocational training, the practice, as well as a general education is provided in conformity with the educational plan and the curricula set up

by the Ministry of Education together with the Ministry which is responsible for the respective field
...

Article 32

....
The technical foremen education is organized by the Ministry of Education, at the request of interested Ministries and economical agents, in schools in which 1½ to 2 years of study in form of day courses or 2 to 3 years in form of evening courses are done, according to the training list. ...

(Details from the Ministry of Education regarding the organization and entrance examination in foremen schools, August 1993):
At the time of the entrance examination for foremen schools, the applicants can be skilled workers or vocational or high school-leavers who have done at least 5 years of service and have the recommendation of the executive of the economical agent ... The applicants are enlisted according to their skilled trade or the jobs they are employed for. ...

12 Teaching Staff Status (project)

Title II: Pre-university education. Teaching functions and conditions for their occupation

...

Article 6

...
(c) teaching functions in the secondary education are: teacher, training foreman...

Article 7

Auxiliary teaching functions:
a) laboratory assistant
b) technician
...

Article 9

....
e) Graduates of higher education with a pedagogical, psychological, and methodological training, as the law stipulates, who have passed a diploma examination, are admitted to teaching functions in vocational, apprenticeship, foremen and post high school education;

f) In order to qualify for the function of a training foreman function, one needs a high school diploma plus a kind of post high school education and a minimum stage of 3 years in speciality, or a technical foremen diploma.. In both cases it is necessary to complete pedagogical, psychological, and methodological courses, as the law stipulates;

g) In order to qualify for the function of a laboratory assistant or technician, one needs a high school or technical foremen school diploma, to have attended a profile high school followed by a speciality course under the conditions set up by the Ministry of Education; long or short university course graduates of the requested profile have a priority regarding the occupation of these functions
...

Article 141

....
The holders of a training foremen function who at the date when the status is issued, are employed as training foremen will keep their function and will furthermore attend an in-service training set up by the Ministry of Education; in 5 years time they are obliged to meet the requirements of the present status.
...

Article 144

....
Specialists from production, research, and design can be employed as pre-university substitute teachers if they have completed the time of pedagogical and methodological probation.
...

The Policy Level: Sweden

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1 Background

Sweden has 8.7 million inhabitants in an area of 450,000 square kilometres. This makes Sweden geographically the third largest country in Western Europe (after France and Spain). The population is composed of 1.5 million people aged 65 or over, 1.7 million people aged 0 to 15, and 5.5 million of working age (16 to 64). More than 49 % of the overall population, i. e. nearly 4.3 million or nearly 80 % of those aged 16 to 64, are part of the labour force. Almost 25 %, i. e. 1.0 million, work part-time.

Just a century ago Sweden was still an agrarian country. At about that time a process of industrialization began, which still continues today. In the past 30 years, however, by far the largest growth in jobs has taken place in the public sector. Private enterprise accounts for 62 % of employment in Sweden today, the public sector 38 %. Comparable figures for 1965 were 79 % and 21 %, respectively.

Sweden is dependent on its foreign trade. Its exports amount to roughly 30 % of the Gross Domestic Product (GDP), i. e. about the same percentage as in Britain and Germany.

Sweden has still very high taxes. According to figures from the OECD, Sweden's tax revenues amounted to 50.4 % of the GDP in 1992, compared with 40.0 % in Germany, 35.8 % in Britain and 29.8 % in the United States (1991).

Sweden has many special-interest organizations for both employees and employers. A very large proportion of employees belong to trade unions - more than 80 %.

Private ownership in the business sector is nevertheless larger than many people realize, some 85 % and increasing.

2 Scope of the Case Study

This case study will address the policies and legislation that relate only to technical and vocational education. It will therefore not describe and analyse university education, or the nine years preparatory education that is compulsory for all children.

3 The Swedish Labour Market

Workers in Sweden began to form trade unions in the mid-19th century. The first union was formed in 1846 when the Typographers' Association was established in Stockholm, but the concept of organized labour in the modern sense emerged only after the industrial revolution gathered speed in the 1870s and 1880s. In the 1880s the first national trade union came into being. In 1898 a number of unions joined forces to form a central organization known as the Swedish Trade Union Confederation (Landsorganisation = LO). A few years later, in 1902, the employers formed the Swedish Employers' Confederation (Svenska Arbetsgivareföreningen = SAF). In 1906 LO and SAF began to recognize each other's rights, and they signed the so-called December Compromise. In this agreement SAF recognized that the workers were entitled to form organizations and to negotiate. LO recognized the right of the employers to hire and dismiss workers freely, to direct and allot work and to hire any workers they pleased.

In 1938 SAF and LO concluded the Saltsjöbaden Agreement. This agreement was a sort of "peace treaty" that regulated the relations between labour and management with regard to wage negotiations and industrial conflicts.

During the 1940s a number of basic agreements concerning blue-collar workers, apart from the Saltsjöbaden Agreement, were signed concerning safety and health, vocational training, and work councils including both employer and union representatives.

During the 1950s, similar agreements were concluded concerning white-collar workers. Because of these agreements and the co-operative "spirit of

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Saltsjöbaden" between labour and management that accompanied them, the number of conflicts on the Swedish labour market remained low for several decades.

The relative lack of industrial conflicts was a strongly contributing factor to Sweden's growing prosperity during the 1950s and 1960s.
A "Swedish Model" took shape, characterized by centralized collective bargaining, an active government labour market policy and very few labour disputes. Companies such as ASEA (now ABB), Electrolux, Ericsson, SAAB-Scania, SKF, Stora, Volvo and others grew strong.

Over the years LO and TCO (the union for white collar workers - Tjänstemännens Centralorganisation = TCO) - in particular have played a more important role than their counterparts in most other countries, the main reason being that the Social Democratic Party has been in power for most of the time. The LO, the largest confederation has 2.2 million members, almost 85 % of all blue-collar workers. The LO has always cooperated openly and very closely with the Social Democratic Party. Union membership peaked at about 86 % in 1991, but is on its way up again in this present time of extensive unemployment.

SAF is the leading employers' organization with 42,000 member companies employing 1.2 million people in the private sector. Most SAF member companies are small. At one time SAF was primarily a negotiating body, but it has followed the example of LO and TCO and nowadays devotes a major portion of its energy and resources to influencing public opinion.

Over the years Sweden's Government has pursued a policy of non-intervention in salary negotiations. Employers and unions have been regarded as strong enough to reach their own agreements on pay and other conditions of employment. These conditions were regulated for many years by nation-wide collective agreements. But due to taxation policy, the inflation rate, and the lack of increases in real pay there has been growing interference from the Government on these issues over the last decade.

The most important function of collective wage negotiations is to preserve peace in the labour market. Collective agreements also have a norm-creating function, i. e. a company and its unions are not allowed to stipulate conditions which are poorer than those fixed by the applicable collective contract.

In the late 1980s, a variety of bargaining systems were tried between SAF and LO, with varying elements of centralized bargaining. In 1990 SAF decided to abandon centralized top level wage bargaining. From 1993 on, negotiations have been carried out entirely at the individual branch level between national employers' associations and national trade unions.

Most of the time during the period since World War II, the Swedish labour market has been characterized by a low unemployment rate, rising employment, and increased participation in the labour force. This was mainly due to the growing number of women holding paid jobs, which has reached 81 % now. Over the same period, the number of gainfully employed individuals climbed nearly 20 %. Their share of the working age population rose from about 72 % to 83 %.

The main focus of growth in employment has been the public sector, but the private sector has also showed significant expansion. Manufacturing and agriculture are examples where employment shrank during this period. Ever since World War II, Sweden has experienced a very low unemployment rate by international standards. A remarkable phenomenon was noted in the 1980s, when other countries were suffering from high and persistent unemployment, whilst in Sweden the unemployment rate was still running at a low level between 1.5 % and 3.5 %. This was due to trade cycles.

In the 1990s, however, the situation on the Swedish labour market has deteriorated sharply due to the repercussions of the economic crisis in Sweden, and we have seen a dramatic increase in open unemployment from 1.6 % in 1990 to about 8 % in 1993 and 1994. In 1995, open unemployment has fallen slightly, to its current level of some 7.2 %. In fact, the situation in the labour market is far worse than that. In addition to the

open unemployment, Sweden has a large number of unemployed persons engaged in labour market training or relief work projects. During the past three years, employment has decreased by more than 500,000 individuals. The main sectors affected by this massive downsizing process have been manufacturing and construction.

4 Labour Market Policy

The recession of the early 1990s has led to growing demands and pressures on the Swedish Government's labour market policy. This policy has traditionally played a major role in the Swedish economy. Government programmes to combat unemployment began to be developed as early as the outbreak of World War II. (Sweden was non-belligerent; however, its economy was strongly affected by the war.) Since then labour market policy has undergone several major shifts in emphasis. During the 1970s it was largely seen as a technique for smoothing out business cycles in order to keep registered unemployment down, while during the 1980s it assumed some of its earlier role as an instrument for easing structural adjustments in the economy again.

Due to the sharp rise in unemployment, the role of labour market policy in economic restructuring was even more emphasized during the early 1990s. Today the primary task of labour market policy is to prevent the emergence of harmful chronic unemployment, and thereby to improve the ability of the labour market to function smoothly in the long run. Its purpose is to improve the correlation between the supply and demand of labour, create a pro-work ethic throughout Swedish society, encourage active job seeking, and equip each individual for employment when demand rises again.

In order to make this possible, the foundation of Swedish labour market policy is based on the "Activation Principle" and "Work-for-Everyone Strategy". This basic principle implies that placement of individuals in the regular labour market shall always be the top priority. As a second priority, unemployed persons shall be enrolled in labour market training programmes. Various forms of cash benefits are available but must be combined with some form of active job-search.

5 Structure of the Labour Market Policy

Overall responsibility for labour market policy rests with Sweden's Parliament and Government. Within the Government it is entrusted to the Ministry of Labour (Arbetsmarknadsdepartementet). Under the Ministry's jurisdiction the Labour Market Administration (Arbetsmarknadsverket) implements labour market policy on behalf of the Government. The Administration includes the National Labour Market Board (Arbetsmarknadsstyrelsen, AMS) and a county labour board (länsarbetsnämnd) located in each of Sweden's 24 counties. Each county labour board operates one or more public employment exchanges (offentliga arbetsförmedlingar) and the employment institutes (arbetsmarknadsinstitut, AMI).

The AMS is the central administrative agency in charge of general labour market matters and operates through the county labour boards. The AMS is responsible for coordinating and refining labour market policy measures to comply with the guidelines set by the Government and Parliament. The AMS establishes goals and guidelines for the activities of the county boards and allocates financial and other resources. Each of the 24 county employment boards in turn has the overall responsibility for labour market policy in its respective county.

The local offices of the employment exchange are responsible for providing assistance to both job-seekers and employers. Apart from job placement service these offices also provide guidance related to choosing a suitable occupation. The employment exchange used to have a monopoly on job placement, but since 1 July 1993, private employment exchanges have also been permitted in Sweden. However, with certain exceptions employers are still legally required to register job vacancies with the public employment exchange.

One important way of combating rising unemployment, while also increasing the skills and competence of the labour force, is to operate various skill enhancement programmes as part of government educational policy. There has been a major increase in the number of places available for study in the upper secondary schools and institutions of higher education, as well as in other alter-

natives such as the Municipal Schools for Adults, Folk High Schools, study organizations operated by trade unions, and private education enterprises.

An employment exchange which has access to the whole array of labour market and skill-enhancement programmes is the fundamental instrument of government labour market policy. Its primary purpose is to create a closer correlation between labour supply and demand. Its main tasks are job placement and vocational guidance. A range of programmes and activities developed within the employment exchange are intended to improve the correlation process. These programmes and activities can be grouped into three categories having the following goals:

A) activation;
B) contact with the labour market;
C) increased skills and competence.

Category A includes participation in job clubs and similar activation programmes, designed to give job-seekers the requisite knowledge and self-confidence to find job vacancies themselves. Category B includes efforts which aim at expanding and raising the quality of the contact between the employment exchange and business enterprises. Category C includes programmes to influence labour supply, facilitate occupational mobility in the labour market, and improve the skills and competence of the labour force.

The main tools in Category C are labour market training and labour market institutes.

Labour Market Education and Training

Labour market education and training, provided directly to the unemployed individual, is the most important of the tools for influencing labour supply. Its primary purpose is to help those who are jobless or at risk of losing their jobs to refresh or gain the skills which are necessary to find work. This also makes it easier for employers to find employees with the requisite training. Labour market education and training are mainly provided through courses that county boards or local employment exchanges have purchased from various providers. Potential providers include the Labour Market Training Group (AMU-gruppen). The county labour boards and employment exchanges buy training courses on the basis of what the labour market needs and their own knowledge of what categories of people are having a hard time finding work. The programmes primarily consist of vocational training, but they may also include orientation courses or general academic studies that are needed before beginning vocational training. If there is no suitable course available, job-seekers who fulfil the prerequisites for labour market training can receive training grants when they utilize places in the national education system. Typically, participants in labour market training have fewer skills than the labour force as a whole.

Labour Market Institute

Another important tool is the labour market institute in each county, whose task is to help job-seekers who need occupationally oriented rehabilitation and/or extensive counselling. The institutes have specialized resources and expertise in the evaluation of work capacity, practical job orientation, work-place adaptation etc. Somewhat more than half of the institutes have specialists in particular disabilities.

Other labour market programmes at the disposal of the public employment exchanges are:

Recruitment Support

Recruitment support is a labour market programme that grants a subsidy to an employer who hires unemployed persons. The aim of this programme is to facilitate the return of long-term unemployed persons to gainful employment. In these cases the employment exchange offers to subsidize the wage costs of the prospective employee. Each case is individually determined by consultation between the future employer and an official of the employment exchange. The employer may receive a 50 % subsidy for a maximum of six months.

Work-place Introduction

Work-place introduction is given to unemployed persons who need hands-on training in order to improve their opportunities in the labour market. The training period can last six months as a maximum, depending on the needs of the employed person and the employer's ability of receiving this person. Youths under the age of 25 can receive a "work-place introduction" only if the

employer is willing to guarantee a six-month employment after the introduction.

Cash Benefits

Cash benefits to the unemployed in Sweden are payable under two different systems. The larger of these two systems is a voluntary one and is based on the membership in one of 42 societies that administrate the unemployment insurance funds. Each fund is ordinarily affiliated with a trade union, and 83 % of the Swedish labour force are members of a fund. To receive unemployment benefits from a fund, a person must have been a member for 12 months and worked for four months. In addition, the unemployed person must register with the Employment Exchange and accept suitable job offers. After a waiting period of five days, benefits are paid up to the amount of 80 % (75 % from 01 January 1996) of the previous income, not exceeding SEK 564 per weekday. Unemployment benefits are normally payable for 300 week-days.

An unemployed person who does not qualify for a voluntary unemployment insurance can receive a labour market cash benefit. This government benefit amounts to SEK 245 per week-day after a waiting period of five days and can be paid for a maximum of 150 weekdays.

6 The Swedish Education System

A fundamental principle of the Swedish education system is that all children and young persons shall have equal access to education, regardless of ethnic or social background or place of residence. Education for children, young persons, and adults shall be equivalent within each type of school, irrespective of where in the country it is provided. Compulsory school (nine years) and upper secondary school (three years) are both comprehensive and co-educational and are designed to accommodate all members of the young generation. The curricula for compulsory and upper secondary education have nation-wide validity.

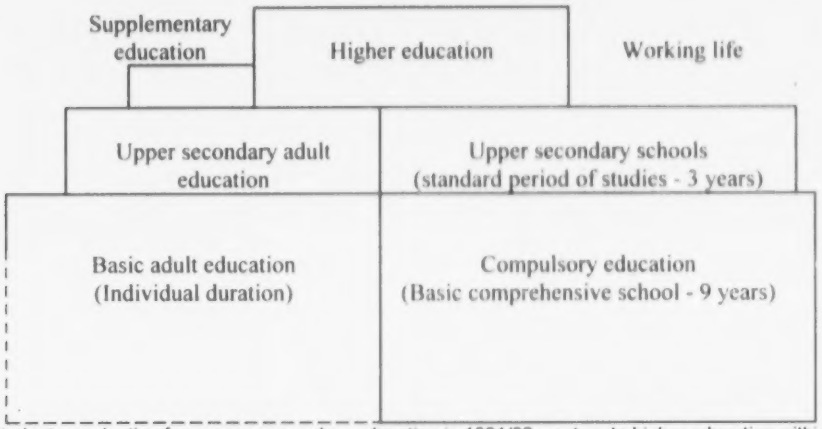
Overall responsibility for education in Sweden rests with Parliament and the Government. With the exception of the University of Agricultural Sciences, which is under the responsibility of the Ministry of Agriculture, and labour market education and training, which is under control of the Ministry of Labour, all public education is the responsibility of the Ministry of Education and Science. Pre-schooling is not considered to belong to public education and is the responsibility of the Ministry of Health and Social Affairs.

As part of a general trend in Swedish society towards decentralization of responsibility and the decision-making powers, the education system has undergone fundamental changes in recent years. In accordance with decisions in Parliament in 1991, full mandatorship for teaching staff was transferred from the national authorities to the municipal authorities, who were also given the sole responsibility for organizing and implementing educational activities. This time the Parliament also at established new principles for school management and administration, which were to be based on objectives and results with fewer regulations and clearer goals.

Today the main principle of the division of responsibilities and functions within the Swedish education system is that the Parliament and the Government shall control educational activities by defining national goals and guidelines for education. The national and municipal education authorities are responsible for ensuring that the education system is organized in accordance with national goals. Within the framework and guidelines laid down by the Parliament and the Government, the education authorities enjoy a considerable freedom to determine how activities are to be carried out and how resources are to be distributed and implemented. The transition to goal and result-oriented steering of the education system requires the national and municipal authorities as well as administrators in individual schools to follow up systematically and to evaluate educational activities in relation to the goals and guidelines that apply to them.

6.1 Responsibilities and Administration on the national Level

General policy decisions and the objectives, activities, and finances of the education system are responsibilities jointly shared by Parliament and Government. The legislation is passed by the Parliament which also decides on the funding of subsidies to the education system. The Government issues ordinances as well as general guide-


Supplementary education
Higher education
Working life
Upper secondary adult education
Upper secondary schools (standard period of studies - 3 years)
Basic adult education (Individual duration)
Compulsory education (Basic comprehensive school - 9 years)

32 % of the students graduating from upper secondary education in 1991/92 went on to higher education within three years.
In 1994, 98 % of all students finishing compulsory education went on to upper secondary schools.

In this diagram education for special groups, like mentally retarded and Laplandish children, have been left out as well as adult education for mentally retarded and learning of the Swedish language for adult immigrants

Table 1
The Swedish public educational system: Its main features

lines which apply to various types of education and decides on the distribution of subsidies. The Government also stipulates the curricula for the whole compulsory and upper secondary education system.

The main national authority for the supervision of the education system is the National Agency for Education (Skolverket). Its main tasks include the responsibility for national follow-up, evaluation, and supervision of all school activities, and for development work on the national level within the school sector. The Agency is also responsible for ensuring that pedagogical research is undertaken, that teachers and head teachers receive the required basic university training and that in-service training is available for teachers.

6.2 Responsibilities and Administration on the municipal Level

The municipal authorities have the overall responsibility for the implementation and development of educational activities in the school system. The 1991 Local Government Act gives municipalities and county councils the option of designing their own organizational structures in which different municipal boards have different areas of responsibility. However, usually the compulsory school is the responsibility of the Children and Youths Board, which is also in charge of child care programmes. Upper secondary schools and adult education are usually under control of an Education and Culture Board.

It is the responsibility of the municipal board to ensure that its schools maintain the national standards stipulated in the curriculum. Every municipality is required to set out the general objectives for schools in a **School Plan**, adopted by the Municipal Council. The municipality must follow up and evaluate the School Plan and provide the national authorities with reports on facts and circumstances of relevance for the assessment of educational activities. In addition, every school has to devise a **Work Plan**, based on the curriculum and local priorities. All students between 16 and 20 years of age who are pursuing upper secondary studies in an upper secondary school or a folk high school receive study grants.

6.3 The Upper Secondary School

Municipalities must, under the School Act, provide upper secondary schooling for all residents who start studying before the age of 20. Persons beginning their studies after the age of 20 can pursue upper secondary studies at the Municipal School for Adults. Over 95 % of compulsory school graduates apply to an upper secondary school and nearly all of them are accepted.

At the end of the 1980s, an upper secondary school reform was initiated, which led to major

modifications of the School Act in 1991. A new system of upper secondary education was introduced in the school year 1992/1993 for full implementation by the school year of 1995/1996. From then on, all education has been organized in **study programmes** of a duration three years. The new vocational programmes are designed to confer knowledge which is wider and deeper compared to the former system. The students are also given more choices with respect to the contents of their own education as well as better opportunities to influence the situation of learning and the forms of evaluation. It should be noted that in Sweden practically **all vocational and technical education** is provided **within the framework of upper secondary schools**.

There are 16 national programmes:
14 programmes which are primarily vocationally oriented and 2 programmes which serve as a preparation for studies at a university.

14 Vocational Programmes:

- **Arts Programme**
  Broad basic education for work in arts-related professions.
- **Business and Administration Programme**
  For work in commerce and administration in private business and public administration.
- **Construction Programme**
  For work in the construction industry, building or civil engineering.
- **Child and Recreation Programme**
  For work in child care, after-school, recreation activities, sports, and libraries.
- **Electrical engineering Programme**
  For work on installation, repair and maintenance of electrical, telecommunication, and electronic equipment.
- **Energy Programme**
  For work with electricity (e. g. power stations), heating, ventilation, and sanitation installations, as well as related work aboard ships.
- **Foodstuffs Programme**
  For work with foodstuffs: processing, sales, and distribution.
- **Handicraft Programme**
  For work with different handicraft and trade professions. A major portion of this education is carried out as hands-on training and is located at work-places.
- **Health Care Programme**
  For work in the health, dental, and support service branches.
- **Hotel, Restaurant and Catering Programme**
  For work in the hotel, restaurant and catering business, e. g. as a receptionist, conference organizer, waiter or chef.
- **Industry Programme**
  For work in industrial production, including programming and operating computer-controlled machines and processes.
- **Media Programme**
  For work in advertising, various forms of design, and production of graphic media.
- **Natural Resource Use Programme**
  For work in agriculture, forestry, horticulture, and animal husbandry.
- **Vehicle Engineering Programme**
  For work in the repair and maintenance of cars, lorries, and road machines.

Programmes for preparing for university studies:

- **Natural Science Programme**
  Oriented towards further studies in mathematics, science subjects, and technology.
- **Social Science Programme**
  Oriented towards further studies in social science, economics, and languages.

Special Programmes:

Students who have vocational or higher education requirements other than those provided for within the national programmes can choose to follow a **specially designed programme**, for which the student, in cooperation with the school, designs and plans the whole period of study. For students unsure of what to study there are also **individual programmes** of varying length and content. After participating in an individual programme, the student may transfer to one of the national programmes. A great deal of study guidance is provided in upper secondary schools with a view of supporting the student's subsequent studies.

Vocational guidance is concerned both with the labour market as a whole and with individual branches. In programmes that are primarily vocationally oriented, contact with the world of work is an integral part of studies. Cooperation between schools and the world of work is partly effected

through joint Vocational Councils for these programmes.

7 Legislation influencing the Cooperation between Technical and Vocational Training and the World of Work

Vocational Councils (Programme Councils)

Note: The terms "Vocational Councils" and "Programme Councils" are synonymous and both are used in Sweden today referring to the same "advisory group". The official name is "Programme Councils" which was introduced in 1992 in connection with the upper secondary school reform in which 16 national upper secondary school programmes were established (see above, Section 6.3). The older name "Vocational Councils" is still extensively used.

An important steering tool was established in the following regulation, which is applicable to the 1985:1100 School Act, excerpted from SFS 1986:572 §4: "In every municipality that arranges upper secondary school education, the Board of the Upper Secondary School shall appoint one or more Vocational/Programme Councils which have the task of assisting the Board in matters concerning vocational orientation of education in different programmes. Employers and employees must be represented among the members of the Council."

The Vocational/Programme Councils are advisory bodies to the municipal boards of education, which appoint the councils. These must consist of at least three members and, as stated previously, both employers and employees shall be represented in the council.

The councils are to take the initiative to inform and keep in touch with the board of education, the school administration, and the teachers. The members of the council shall visit the school regularly in order to see that the education and the working environment fulfil the standards and regulations of working life. The councils are also to provide up-to-date information regarding the demand for labour in different vocational fields and to make estimates regarding the quantitative educational planning.

The Vocational/Programme Councils are also concerned with other areas, such as:

- study guidance and vocational guidance in the compulsory school;
- school activities in order to influence the existence of out-of-date gender-related ideas concerning the choice of vocation;
- what schools can do in order to remove different kinds of obstacles related to their studies.

The work of the Vocational/Programme Councils shall be directed towards fulfilling the needs and conditions of the entire vocational sphere of the programme in question. Consequently, the representatives from working life must be fully aware that they represent an entire branch and not only their own company.

On the national level, there are vocational advisory groups for each professional branch, composed of experts in the respective one, called Vocational Boards. The national trade union confederations and the Vocational Boards are responsible for providing guidelines and advice to the local Vocational/Programme Councils concerning each branch or vocational sphere. These are the natural forums for developing cooperation between the world of work and vocational education. The municipal Vocational/Programme Councils are given considerable responsibility and they shall participate actively in the training itself.

The municipal Board of Education has the overall responsibility for vocational training even when the training is located in work-places. The board is also responsible for the successful work of the Vocational Council.

Very active participation of the world of work is needed in order to achieve the results which are aimed at. Every company takes a natural interest in ensuring the supply of well-educated labour. Traditionally, both the company management and the employees share the interest in and the responsibility for vocational training. Consequently, both of them aim at giving the necessary support to the Vocational/Programme Councils. In the same way, the parties in the labour market, the SAF (the Swedish Employers' Confederation), and the LO (the Swedish Trade Union Confederation) as well as their educational organizations, centrally

and locally, are responsible for adequate support of and service to companies and employees in order to ensure participation in the municipal Vocational/Programme Councils.

The SAF and LO have a joint forum for matters concerning vocational training - the Labour Market Vocational Council. The SAF and LO each appoint half of the 10 members of the council and defray half of the administrative costs. This council has the following tasks:

- analysing the needs of training in the mutual fields of interest for the two organizations;
- working for an increased and more efficient training;
- supervising and coordinating the activities of the national Vocational Boards;
- bringing up questions of general or principal importance in the field of vocational training;
- keeping in touch with the work of both the authorities and other organizations in the field of vocational training.

8 The Receivers of the Students from the Upper Secondary School

The term "Receivers" here refers to the alternatives in Swedish society for upper secondary school graduates, i. e. usually either further studies (i. e. institutions of higher education) or the labour market (i. e. the world of work). Recently, the important role of the Receivers has been increasingly emphasized. The education provided in upper secondary schools must naturally prepare for higher education and future professional work. Society demands that upper secondary education shall equip its students with knowledge and skills which are needed or expected for having success in working life and/or higher education. Today it is often stressed that extensive interaction between upper secondary school and Receivers is of crucial importance.

In the Government Bill for a New Curriculum there is a clear and partly new allocation of work between school and the Receivers. This is expressed in the following way:

"There is still a view where each level of education and training and each Receiver sees the preceding level of education simply as suppliers expected to deliver students in the right amount, at the right time, and with the right competence. This view can never be accepted. The upper secondary schools must take a large responsibility for information and development even in the compulsory school. The quality and the achievement of the upper secondary school are to a large extent, too, a matter of concern for higher education. The world of work must to a much greater degree take the responsibility of supporting and informing upper secondary schools as well as directly participate in vocational training."

Taking this statement as a starting point, it is easy and natural to assert that the world of work and higher education shall make demands on the schools and shall participate in school activities. At the same time, upper secondary education shall demand participation in education by the Receivers. It is also important that the schools keep the Receivers informed of their activities. It is from this point of view that what the curriculum says shall be interpreted as follows:

Upper secondary education shall cooperate closely with the compulsory education, the universities, the world of work, and society in general. This is necessary in order to create a high quality education and training and to get a sound basis for the student's choice regarding:

a) courses in his/her upper secondary education programme;
b) further studies;
c) professional work.

It is especially important that upper secondary education cooperates with the world of work, concerning vocational education and training.

In the Curriculum Bill it is emphasized that the schools must be flexible in their approach to the finding of different local solutions for cooperation with the world of work and higher education. It is stressed that schools must be keenly alive and must adjust themselves to the signals from the world of work and higher education. The Receivers must assist the schools in providing the students with as relevant and complete information as possible.

Elements that shall enhance Contact between Upper Secondary Education and the World of Work

School contact with the world of work has been extensively discussed for a long time. To sum it up, it could be said about this discussion, that took

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place in recent years, that everybody seems to agree that school contacts with industrial life are extremely important. It is necessary that these contacts exist simultaneously at different levels, even if they are not regulated by any law. Nevertheless, both the Parliament and the Government officially expressed their views, when they stated that the national Vocational Boards as well as the municipal Vocational Councils play a vital part in assuring the quality of vocational education.

Many of the steps taken at a national level in recent years have been designed to facilitate contact between upper secondary schools and the world of work.

Five core elements of improving this contact are:
a) work-place training (APU);
b) apprenticeship training;
c) knowledge centres;
d) new role of teachers in vocational training;
e) invitation of private enterprises to submit tenders for carrying out parts of municipal vocational training in-house.

The most well-defined element is **work-place training (APU)**, which is of course a vital part of the contact between upper secondary education and the world of work. The development of **knowledge centres** is another example for where upper secondary education has tried to find new forms for cooperation with the world of work. The new **apprenticeship training** is also an example of the school's new approach to working life. These elements also play an important role in the directives which have been issued by the Government regarding the pending official report on a **new role for the teachers of vocational training**. The innovative element of the **invitation to private enterprises to submit tenders** for a part of the municipal education indicates a development which eases the borders between school and the world of work.

Work-place training (APU)

Work-place training (APU) is syllabus-based training in one of the national programmes which are carried out outside of a school. (APU is a part of all programmes except three: the Arts Programme, the Natural Science Programme, and the Social Science Programme.) It must be emphasized that APU is not only meant to serve as a job experience but also as an integral part of the actual training. The boards of education must monitor that all APU programmes meet the appropriate educational requirements. According to the School Plan, the municipality shall report on and account for the actual contact with working life in connection with any APU programme. The schools are responsible for the supervision of the students, and these always have the status of students during the APU, i. e. there must be no actual employment, and the students must not receive any salary. During the APU the daily work schedule as well as prevailing safety regulations shall be followed by the students.

Apprenticeship Training

In 1992 the Parliament passed a resolution about a new apprenticeship training. It is an individual programme in which school education is adjusted and combined with vocational training that is managed by a company at which the student is employed. School education must at least include these "core subjects" Swedish, English, Religion, Civics, and Mathematics. The school shall offer courses in all upper secondary core subjects to those students in apprenticeship training who wish to take them. The apprenticeship training shall be equivalent to a three-year programme.

Knowledge Centres

The establishment of knowledge centres is important for enhancing the cooperation between upper secondary education and the world of work. A knowledge centre is primarily based on the cooperation at municipal level, regarding equipment and premises. Either the resources are common property, or the school and the company can use each other's premises and equipment. There can also be cooperation concerning administration and staff. Ideally, a knowledge centre is a place where different pedagogical ideas for vocational training are confronted and evaluated, where different traditions meet, and where representatives of the educational system have the opportunity to discuss vital issues with representatives from the world of work.

The new Role of the Teachers

The new role of the teachers in vocational training is treated in the Government's proposal for a new

curriculum, issued in 1993. The fundamental idea behind the proposal is that cooperation must extensively be developed between upper secondary education and the world of work. Now this is also considered to be true in respect of the role and function of the teacher of vocational training. It is very important that the teacher establishes and maintains an extensive contact with the world of work. One way of ensuring this contact can be in form of cooperation with instructors in companies which are involved in APU. Furthermore, direct participation in upper secondary education by representatives of working life can and shall also happen more frequently.

Tenders

Since 1 July 1994 the municipalities and the county councils have been entitled to invite tenders from private persons or companies for education or training in the municipal upper secondary schools. This option, however, is restricted to certain blocks of subjects. The greatest need for externally operated training is to be found in upper secondary vocational programmes. Often companies can offer more qualified and modern resources as to technical equipment and competence than schools. In some cases a school lacks modern equipment and adequate teacher competence. In such cases, the training will be better and more goal-oriented for the students if it takes place in a private company. This interaction between schools and companies may also effect a revitalization of municipal vocational education. Naturally, this strategy of purchasing vocational education from companies is intended not only to increase the quality of the training, but also to decrease the long-term costs of education for the municipality and, most importantly, to provide an immediate, positive, and useful insight into the world of work to the students.

9 Conclusion

The competence of the labour force is a decisive element for Sweden's economic growth and for its continuing development as a leading industrial nation. Sweden's rapid development from a poor agrarian country to a modern welfare society was to a large extent due to an early conviction of the importance of raising the education level of the **whole** population. In today's schools the students need an education that ensures a solid foundation for the life in a rapidly changing society in which new knowledge must constantly be absorbed and integrated. Pursuing this policy, Sweden has created a system of education in which a broad educational basis is given to as many people as possible, thus providing these young people and adults with a solid foundation for lifelong learning and a continual development of competence. This system also makes it possible for all students to proceed to university studies, either directly after graduation from upper secondary school or later in life.

Since the reform of 1992, Swedish upper secondary education has been characterized by its goals of a high quality and a knowledge-based approach which draws no sharp lines between theory and practice, but stresses holistic and coherent views instead. As Sweden places great emphasis on the fact that its society is based on equality and democratic values, it was natural for this country to establish an education system which allows the whole labour force to benefit from it. Today more than 90 % of the Swedish youth undergo a 12-year education. In autumn 1996 there will be a Government Bill which proposes an additional tenth year in the compulsory school, so that the vast majority of Swedish youths will receive 13 years of education, i. e. ten years of compulsory schooling, and three years of upper secondary schooling in preparation for the world of work or higher education.

Sweden has one of the most extensive systems of adult education among all countries. It enables an adult student to complete his or her education at different stages in life and in various educational forms. Not only studies in theoretical subjects, but also technical and vocational education is offered within the framework of the adult education system. The resources of upper secondary schools, in particular teachers and equipment, are often used by the municipal adult education system. One part of the adult education system, namely the labour market training (under the Ministry of Labour), is exclusively designed to provide unemployed persons with relatively short occupationally oriented training courses, which only aim at offering better labour market prospects to them.

The adult education system is a most important means of fulfilling the ambition to realize the aims of lifelong learning, and it is the most efficient tool in the constant struggle for full employment.

According to its tradition of a strong society and a large public sector, it has been natural for Sweden to give the main responsibility for educating and training young people as well as adults to society. It is also a Swedish tradition to share the responsibility for vocational education of high quality with the other major partners in the labour market, i. e. the organizations for employers and employees. APU (work-place training) serves as the most striking example of this tendency. In contrast to previous work experience strategies, APU implies that the world of work itself must actively participate in the training.

The Swedish system for upper secondary school education is characterized by the fact that all education, irrespective if it is of a vocational or technical nature, consists of three-year programmes in which the imparting of general knowledge is emphasized, by teaching general subjects that provide an entrance to higher education. Recent reports from the OECD indicate that Sweden is on the right track with its investments in an extensive system which shall encourage and ensure lifelong learning. It has been shown that to a strikingly great degree Swedish adults have the ability to understand complicated texts with unknown content, by drawing conclusions from them and putting these to use in new situations. This ability is essential for young people who must be able to adapt to the ever-changing conditions in the world of work, today and in the future.

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The Institution Level: The Russian Federation

This study has been prepared by the Institute for Development of Vocational Education of the Russian Federation.

1 Introduction

The data on the educational level of industrial workers in the Russian Federation provided in Table 1 demonstrates the percentage of certain professional groups in comparison with the USA:

	Professional Groups	Russia %	USA %
1	Engineers	5.20	1.58
2	Technicians	1.43	3.26
3	Foremen	1.66	1.88
4	Chief accountants and auditors	0.34	1.21
5	Ledger clerks, accountants and bookkeepers	1.90	1.62
6	Secretaries	0.74	3.35
7	Typists	0.22	0.54
8	Researchers	0.46	1.35
9	Teachers in universities, colleges and schools	2.61	4.03
10	Educators	1.63	1.41
11	Dentists	0.07	0.14
12	Paramedics and midwives	0.41	1.42
13	Medical nurses	1.53	1.23
14	Commodity experts	0.31	1.39
15	Salesmen, barmen	1.99	3.44
16	Cashiers	0.56	2.11
17	Cooks	1.31	1.54
18	Waiters	0.12	3.95
19	Farmers	0.17	1.05
20	Drivers	6.78	3.04
21	Vehicle mechanics and repairers	1.05	1.45
22	Metalworkers, assemblers	6.78	0.96
23	Masons facing workers	0.67	0.35
24	Roofers	0.05	0.18
25	Housepainters	1.02	0.46
26	Electricians	1.88	0.59
27	Concrete workers	0.13	0.06
28	Loaders, carriers	1.04	1.45
29	Dustmen, cleaners	2.22	1.86
30	Unskilled labourers	2.71	1.14

Table 1
Percentage of certain professional groups of the employed in relation to total number of the employed in Russia and USA

Table 2 gives an impression of relatively good starting conditions for the construction of a market economy, although the indicators are lower than those for the USA and Japan the percentage of certain professional groups:

Qualification Level	Russia %	USA %	Japan %
Team leaders and highly qualified workers	11,5	12,8	12,9
Qualified workers	10,2	12,3	12,3
Non-qualified workers	8,7	12,0	12,1

Table 2
Educational Level of Industrial Workers (years of training)

Professional education of workers is of much importance for a further development of the economy, being a necessary measure of the upgrading of knowledge and skills and of learning advance experience and of achievements of science and technology. An investment in the area of professional education and personnel retraining is the most effective way of investing. Basic indicators which demonstrate training, retraining, and qualification upgrading of workers and specialists in the Russian Federation are presented in Tables 3 and 4.

	1994 prognosis	1993	1992	1991
By vocational schools	852,060	926,867	1,03,8884	1,140,724
of which day-time schools	*687,870*	*724,500*	*762,989*	*795,362*
By secondary specialized educational establishments	540,200	546,100	585,200	623,223
of which day-time schools	*380,394*	*384,326*	*414,822*	*409,187*
By higher educational establishments	424,987	425,648	425,344	406,751
of which day-time schools	*274,595*	*290,247*	*252,447*	*230,254*

Table 3
Number of workers and specialists trained by different establishments of vocational education

Professional education in industry can be subdivided into:

- Apprenticeship (young workers without a profession);

Years	Training, upgrading, and training of workers in second professions in industry				Qualification upgrading of workers	Qualification upgrading and retraining of managers and specialists		
	total	of which				total	of which	
		initially trained	upgraded	trained in second profes-sions			at insti-tutes and chairs of qualific. upgrade	at refresh-ment courses
1990	3045.0	1056.2	1040.0	949.0	11027.6 (4736.7 w/o econom. educ.)	4836.1	830.7	1142.6
1991	2628.1	936.5	887.7	803.9	4433.1	2495.1	738.6	1549.6
1992	2051.1	677.2	745.2	628.7	3187.4	2169.4	590.4	1579.0
1993	1590.0	490.0	630.0	470.0	2072.0	1380.0	280.0	1100.0
1993/1991 (%)	60.5	52.3	71.0	58.5	68.0	63.6	47.5	69.6
1994 (Jan-Jun)	751.1	234.5	298.0	218.6	1156.0	637.0	130.0	398.0

x) Note State statistical reporting was abolished in 1994

Table 4
Results of personnel training, retraining, and qualification upgrade in industry

- On-the-job qualification upgrading system (continuous system of developing the professional capabilities of workers);
- Retraining (acquiring a new profession because of a necessity to reorganize production);
- Initiative education aimed at acquiring contiguous (a second, third, etc.) profession;
- Compulsory educational programmes (i. e. protection of labour and safety measures).

Successful training, retraining, and qualification upgrading of workers in industry depend upon many factors which will be examined below.

Tables 5, 6, and 7 deal with the factors which influence the choice of profession, labour motivation for choosing a profession, and the workers' attitude to professional education.

Factors	on the opinion of parents	on the opinion of children
Advice of parents	42 %	50 %
Advice of friends	19 %	11 %
Advice of teachers	8 %	8 %
Advice of a trade instructor	-	-
Medical recommendation	-	-
Experience in hobby groups	15 %	15 %
Mass media	8 %	19 %
Decided himself/ herself	39 %	46 %

Table 5
Factors which influence the choice of profession (among leavers of primary professional schools)

Motivation	Responses in %
Salary received for work	66
Ability to use one's knowledge and experience	53
Confidence that the work will be appreciated justly	43
Stability and constancy of the work	38
Freedom in choosing one's own methods of work	26
Congenial, competent, and acceptable fellow workers	20
Prospects of promotion	18
Possibility to seek advice in case of difficulties	13
Polite treatment by the management	11
Possibility to understand what work the management wants to be done	10

Table 6
Motivation for choosing a profession

Attitude	Responses in %
No wish to study at all	38.7
To receive more knowledge in the field of the market economy	14.2
To improve one's professional skills	10.5
To learn new professions (at the expense of the enterprise)	20.4
of which the profession of an entrepreneur	*5.0*

Table 7
Attitude of workers to professional education, according to data of 200 enterprises

An analysis of enterprises' work in personnel training, retraining, and qualification upgrading shows a sharp reduction of the amount of the above activities in 1993 (see Table 4). Since 1991

the amount of such activities only decreased by 60.5 % for workers and by 63.6 % for managers and specialists. The system of economic education and advanced experience sharing has practically collapsed.

The periodicity of qualification upgrading of workers in different branches of economy has increased and constitutes 13 to 15 years as compared to 3 to 6 years at enterprises of countries with developed market economies, not counting the constant and intensive training. The periodicity of qualification upgrading of managers and specialists is 7 to 8 years as compared to 3 to 5 years in Western Europe and Japan.

These and other setbacks in personnel development, training, retraining, and qualification upgrading of the working cadre in industry are connected above all with general crisis phenomena in the economy of Russia.

All this has caused negative tendencies in the dynamics of professional and qualification structure. Failure of workers' qualification level at a number of enterprises to keep pace with technological complexity of the work performed by them lead to a lower labour productivity and production quality.

The majority of the mentioned setbacks not only continue to exist but have aggravated and are badly affecting the situation in the country in general and personnel development and professional education in industry in particular.

2 Main Elements of Research

Subjects capable of affecting the cooperation among professional training and educational establishments and enterprises.

The cooperation in cadre training among educational establishments and enterprises can be influenced at the Federal level by the following bodies:

- The Federal Assembly, the Federation Council, and the State Duma;
- the President;
- the Government;
- the Ministry of Labour;
- the Ministry of Economy;
- the State Committee for Industrial Policy;
- the State Committee for Defence Industries;
- the Ministry of Agriculture;
- the Ministry of Fuel and Energy;
- the Ministry of Construction;
- the State Committee for Higher Education;
- the Ministry of Education;
- the Federal Service of Employment;
- the committees and departments of different branches of economy;
- the All-Russia associations of employers;
- the All-Russia associations of trade unions;
- the personnel development association;

as well as

- the organs of legislative and executive power of subjects of Russian Federation;
- the enterprises which have technical education departments and instructors.

At present there are 4,203 vocational schools and lyceums in Russia employing 160,000 trade instructors, teachers, and other engineering and pedagogical staff.

According to the enactment of the Government of the Russian Federation, dated 6 July 1994, No. 796 "Measures to assist enterprises in industry personnel training", the Ministry of Labour was entrusted with the coordination of the completion of the Main Directives of assistance to enterprises in industry personnel training. The Main Directives envisage the elaboration and implementation of measures of state support to assist enterprises in industry personnel training. The main purpose of the above measures is to provide broad opportunities for industry personnel to acquire knowledge and skills needed at the period of transition to market economy and to create in future on this basis a system of continuous training of personnel in industry. On the federal and regional levels, much importance is attached to the establishment of a system of methodological and organizational assistance to enterprises in dissemination of domestic and foreign advanced experience, effective use of professional potential and its consistent development.

In necessary cases the matters of industry personnel training are submitted to an Inter-Agency Commission on personnel provision for the economic reform for consideration.

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In order to summarize and disseminate the advanced experience of organizing labour, production, and management, professional training of industry personnel, the Personnel Development Association (PDA) was formed by agreement of enterprises and organizations (legal entities) with the assistance of interested Federal organs of executive power.

In the course of the implementation of the Main Directives of assistance to enterprises in industry personnel training, it is planned to design a Federal programme for the development of personnel potential of Russia until the year 2000, as well as the following target projects:

- Monitoring of the production sphere at the Federal and Regional levels;
- establishment of a consultancy services system on personnel development;
- formation of the market for training services;
- preparation of teachers for personnel training at enterprises;
- information support for the personnel development system at enterprises;
- formation of experimental regional and trade (branch of industry) training centres at enterprises;
- formation of labour potential for science-related industry.

Information and legal support, the designing of regional programmes of industry personnel training, the consolidation of training and material resources of enterprises, personnel and methodological support are a constituent part of measures for the implementation of Main Directives of assistance to enterprises in industry personnel training.

The Ministry of Labour, joint with the State Committee of Higher Education and the Ministry of Education, carries out the direction of continuous personnel training on the federal level, improvement and reorganization of the present system of personnel development, including industry personnel training. The Ministry of Labour also ensures a system of control of the execution of Federal Laws, President's Decrees and Government encasements, as well as Federal programmes on the matters of assistance to personnel development in industry.

The structures which are directly responsible for the quality of personnel training at enterprises are accurately enough defined by model regulations on continuous professional and economic training of personnel which are approved by joint coordinated enactment of the Ministry of Labour, the Ministries and departments for education and branches of industry, the Personnel Development Association, and all-Russian trade-union associations. Thus, the Ministry of Labour determines common qualification requirements for workers, managers, and employees. Federal education directive bodies carry out the common State policy in education, the research and methodological direction of the system of training, retraining, and qualification upgrading, the coordination of the work of educational institutions, as well as the control of the content and quality of training.

Ministries and departments of industry branches, managers and trade unions at the industry branch and enterprise level take measures to plan and organize the training, to improve its quality and results, to establish systems of personnel qualification upgrading and retraining in branches of industry, to form a network of appropriate educational establishments (departments), and to provide for scientific-methodological, personnel, and training-logistical support.

Scientific-methodological support and management at an industry branch level are implemented by leading qualification upgrading institutes, educational (scientific)-methodological rooms, and similar detachments.

Departments (bureaux, sectors) of personnel training (of technical education) have been set up at enterprises to ensure continuous personnel training. In small enterprises special people are appointed for this purpose. As a rule, these people are specialists in vocational training and education.

At production units, workshops, and other detachments of enterprises where there are no full-time personnel trainers the work of retraining and qualification upgrading is usually entrusted to other specialists with higher and secondary profes-

sional education, so-called workshop organizers, with their consent.

The enterprise and workshop management, joint with corresponding trade-unions, provide for additional moral and material incentives for such specialists for successful training, retraining, and qualification upgrading of personnel.

Councils for vocational training working on voluntary basis may be formed at enterprises. Their activities should conform to established regulations.

3 Instruments of Cooperation expanding among Educational Establishments and Enterprises

Financing

The Russian Federation Law "On Education" (second revision, approved on 13 January 1996) envisages that the State guarantees the annual allocation of funds for education, amounting to not less than 10 % of the national income. Educational institutions, irrespective of their organizational and legal form are relieved from all kinds of taxes including the land tax in the part of non-commercial activity. The basis of the State guarantee for providing education to the citizens of Russia is State and/or municipal funding.

However, the problems of funding the vocational schools have not been solved yet. In spite of a certain increase of extra-budget sources (in 1995 vocational schools trained 877,000 workers against the budget and 153,000 against agreements with enterprises and other extra-budget sources), Federal Budget funding continues to be the main source, although it is an extremely insufficient one. This does not allow to remodify the educational institutions, to establish modern training technologies, and to increase the salary of trainers. As compared to the period of 1970 to 1980 the share of the Federal Budget allocated for vocational training in general has now decreased approximately by one third, dropping from 1.8 to 0.7 % for professional-technical education and from 1.0 to 0.5 % for secondary specialized education (see Table 8).

	1994 %	1995 %
Vocational education, total, including:	3.8	3.6
Higher education	*2.0*	*2.1*
Secondary specialized education	*0.5*	*0.5*
Vocational training	*0.7*	*0.7*
Retraining and qualification upgrade	*0.1*	*0.1*

Table 8
Proportion of the funding of vocational education, compared to the total expenditures of the Federal Budgets of 1994 and 1995

Table 9 (page 80) shows the breakdown of expenditures on labour force among the surveyed branches of economy (in % to the total of the branch).

At present, one considers the ideas of a multi-channel or a mixed mechanism of vocational education funding, as well as an educational credit with a special mechanism of re-paying.

Expenditures on vocational training include spending on maintenance and renting of school buildings and premises, expenditures on paid training of personnel, enterprise stipends for the workers sent for training, payments for study leaves, and other expenditures on personnel training and retraining.

The proportion of enterprise expenditures on vocational training of personnel was very insignificant, an average of 0.3 % of the total of the expenditures on labour force among the surveyed organizations.

These expenditures were the lowest in construction and automobile transport (by 0.1 % each), the highest in banking (1.4 %) and aviation transport (1.2 %).

The highest percentage of expenditures on professional training (2.1 %) was in unprofitable organizations of aviation transport.

Infrastructure

The present state of the economy of Russia does not allow to build a sufficient infrastructure for a passage of vocational school trainers to structures of personnel training and retraining at enterprises. On the other hand, due to rising unemployment and a decrease of vocational training volume for

Branches of industry	Salaries	Expenses for housing for workers	Expenses for social protection		% of the total of each industry branch			
			Compulsory contributions to social funds	Other expenses	Expenses on vocational training	Expenses on cultural and everyday life, services	Excessive salary tax	Other expenses
Fuel industry	56.0	3.6	23.2	3.8	0.4	0.8	10.8	1.4
Ferrous metallurgy	57.6	4.8	22.6	5.2	0.2	1.4	7.3	0.9
Non-ferrous metallurgy	53.8	5.6	20.7	9.5	0.2	1.7	6.7	1.8
Machine-building and metal-processing	58.0	2.1	24.9	3.7	0.3	2.1	7.0	1.9
Light industry	63.2	1.8	23.2	6.2	0.3	0.3	3.6	1.4
Food industry	59.3	2.7	23.1	4.1	0.2	0.7	8.1	1.8
Construction	61.6	1.1	22.3	2.5	0.1	0.2	10.4	1.8
Automobile transport	62.6	0.2	23.8	1.9	0.1	0.1	8.6	2.7
Aviation transport	58.9	1.0	21.3	3.6	1.2	0.2	10.7	3.1
Trade and public catering	65.3	0.2	22.8	2.9	0.1	0.1	6.5	2.1
Banking	58.8	0.5	19.0	5.7	1.4	0.3	12.2	2.1

Table 9
Breakdown of expenditures for the labour force in the surveyed branches of economy
(in % of the total of a branch)

industry personnel, these trainers may not be required.

Legislation

The legislation of the Russian Federation on education comprises the Constitution, the Law "On Education", and other laws and regulations deriving from it both at Federal and Regional levels. At present, new rules were prepared in accordance with measures for the implementation of main directives of assistance to enterprises in training industry personnel. Among them there is a package of documents providing for a preferential taxation of enterprises to stimulate capital investment and preference measures for industry personnel training. It is envisaged that a number of preferential taxes will be in force temporarily, and another part constantly. Regretfully, many urgently needed laws on this are still missing.

Consultancies

The development of consultancy services for enterprises of all types and forms of property is aimed above all at the mobilizing and effective use of the available intellectual resources of the Russian society for rendering services to enterprises and organizations regarding:

- Management consultancies responding to requests from organizations for the consulting of the preparation of innovation processes at enterprises;
- information of available Russian and foreign technologies;
- needs assessment of enterprises in personnel training and formation of a market of professions;
- information on the availability of standard short-time training programmes for work with new technologies and equipment as per requests of enterprises;
- consulting on enterprise capacities within the classical system of vocational training;
- preparation of instructors and teachers to organize personnel training directly at enterprises.

Research institutes and centres, educational institutions and newly-formed structures will be involved in his work.

Logistics

A system of measures has been developed at a number of enterprises and educational institutions to provide for a complex re-equipment of training

departments of enterprises and educational institutions with modern equipment and training means, including those on leasing terms. In most cases the matter is aggravated by the lack of necessary funds. When funds are available, it is possible to procure practically any required modern training and visual materials, including computer-related and other training means.

Certification

According to a Government enactment, on 16 February 1994, the Russian Federation State Committee for Standardisation, Metrology and Certification has approved Decision No. 3, the "Regulations on Carrying out Certification in the Russian Federation" which stipulate the work on compulsory and voluntary certification of production, services (including educational), and other activities.

Preparation of Specialists (Agents)

Educational structures, Ministries, and departments of industry branches have a wide network of institutes, training centres, and other educational establishments for training, retraining, and qualification upgrading of engineering and pedagogical personnel, teachers of different subjects, and practical instructors.

Cooperation of educational institutions and enterprises at inter-agency and intra-branch levels open wide possibilities for the use of powerful potential of both classical vocational schools and newly-formed qualification upgrade institutes for the personnel of all categories and directions. All this fully applies to teachers, trade instructors, and other people involved in personnel training, retraining, and qualification upgrading of industry personnel.

Qualification Status and Confirmation

The State Law "On Education" of the Russian Federation and the State standards for general and vocational education strictly stipulate the existing levels of education and their corresponding forms of education certificates. The Law stipulates both status and rights awarded to bearers of education certificates. It involves a right to be engaged in a professional activity and to obtain positions for which compulsory qualification requirements are established and a right of further promotion and continuation of education at a next level are specified.

Compulsory Sessions of Vocational Training

All students at various levels (higher, secondary, primary) of vocational education undergo different forms of practical work in accordance with study plans and programmes at specified periods, including the graduation period. This facilitates the combination of theoretical and practical training, the gathering of practical experience in the production sphere, and the future strengthening of creative cooperation among educational institutions and enterprises.

Personal Considerations

This is one of the most important factors not only for the education and vocational training at enterprises. Tables 5, 6, and 7 above show the factors and motivation in profession choosing and the attitude of workers to vocational training. The motivational resources of students and the level of education can be considerably increased if their interests are taken into account and if there is a possibility for them to receive useful training abroad and to learn new and progressive approaches during foreign trips and international exchanges.

4 Barriers which hamper effective Cooperation between Educational Institutions and Enterprises in Training

Difficulties of small companies in personnel retraining may be resolved with the assistance of the Government and those big companies for whom they supply their production. Matters of State assistance for small businesses have recently been discussed at a meeting in the Kremlin.

A main barrier for high-quality staffing of educational establishments are not only financial problems, but also the underestimation of the role of continuous personnel training by some managers.

The introduction of State standards of vocational training, when applied to main training programmes, may be of help for improving the quality of the curricula for each subject for the practical training to meet the requirements of the socio-

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economic needs and scientific and technological innovations.

A lack of a long-term perspective and development concept has an adverse effect on industrial investment. Instability and inflation in Russia destroy not only industry, but all branches of economy in general.

Teachers with out-dated views who cannot meet present-day requirements are another serious barrier in the cooperation of educational institutions and enterprises. Requirements of increase in personnel training at some enterprises repulse technical and vocational trainers as they reluctantly accept additional responsibilities.

In addition to what was said at the beginning of this chapter, it may be noted that it is not uncommon that very small enterprises send their personnel, when required for training, to other enterprises or educational institutions, for accelerated training and to other kinds of training.

Trade unions who consider workers' training an important matter always consider it when concluding contracts with employers and when presenting their demands. The personnel of primary vocational establishments mostly join the trade unions of industry branches as enterprise workers do.

When they exchange technical and vocational trainers for the personnel of enterprises, both sides usually observe a number of requirements such as professional suitability, good prospects of working trainers and enterprise workers, etc. It is important to set aims of such exchanges, i. e. the strengthening of practical training of teachers and theoretical training of workers. It is not advisable to exchange persons who are professionally incompetent.

Sometimes a renewal of equipment and instruments becomes an unresolvable problem, especially in the case of new professions and technologies. On the other side, due to the competition and related industrial secrets they are not included in curricula which leave gaps in the preparation of trainers. A better funding of training and establishing a procedure of admission to enterprises' secrets between enterprises and training establishments may resolve these problems.

In order to make employers confident about the potential and capabilities of technical and vocational trainers, it is necessary above all to improve the quality of their education as well as the potential and image of the educational establishments where they are trained. In Russia educational standards are established for this purpose as well as licensing, attesting, and state accreditation of educational institutions of all levels, and state attesting of graduates from all state educational institutions.

In case of an insufficient number of working places for personnel training it is possible to increase their number depending on the circumstances given, or to extend the duration of training, or to subcontract a part of the students to other similar enterprises.

The preparing of technical and vocational trainers should be based on a full understanding of the factual situation on the labour market, the laws of its fluctuations, perspectives of its development, and prognostication of its evaluation. Only in this case the knowledge, conditions and skills for work in the production sphere will be adequate to the requirements of the labour market.

It is important that the fundamental academic education of trainers is closely linked with their applied practical knowledge and skills. Training programmes should be periodically revised in order to achieve a higher degree of future-orientation.

Exchanges between teachers and enterprise workers should be preceded by a preliminary preparation. In addition to other matters it should include an analysis of training programmes and their correspondence to the requirements of the labour market and the industrial development, as well as of the possibilities to implement such programmes. So all programmes the teachers and enterprise workers will be working with during the exchange should be thoroughly studied. Exchanges between technical and vocational teachers will be even more successful if they can clearly envisage their future careers, have confi-

dence in their future and are able to continue their education in a university or post-graduate school if it is necessary.

There is no prejudice towards women in Russia. They constitute the majority among secondary school teachers, medical doctors, and workers in cultural and scientific areas. As to the exchange of teachers and enterprise workers, there will be other selection criteria such as professional competence, specific character of production, etc.

At present in practically all vocational schools there exist "business blocks" whose training material provides the graduates with certain entrepreneur skills and allows to deal with the matter of school-enterprise exchanges at the level of preparation.

There will be no problem of excessive population growth in Russia neither at present nor in the future. Unfortunately, there is an obvious tendency of a decrease in the country's population.

It is self-evident that the character and content of the training is preconditioned by an appropriate character and content of a specialist or a worker of a certain level of qualification. As a result of additional work experience and qualification upgrading the person's level of qualification and professional competence will grow, a development which may cause the danger that he/she might leave the enterprise. This fact makes it crucial for the employer to develop a system of measures in order to discourage these people, primarily highly skilled workers and specialists, from leaving by offering prospects of education or economic interest, career and promotion perspectives, opportunities to receive more training, etc.

Although conditions for personnel may be different at an educational institution and an enterprise, disadvantages may be compensated with various moral, material, and other incentives. The State educational standards stipulate a compulsory minimum content of basic educational programmes of all levels, irrespective of the form of training which ensures a proper quality of instruction.

With regard to exchange of students from rural and urban areas there definitely are difficulties and specific aspects which are hardly resolvable unless regional and municipal authorities get involved. However, experience shows that these problems can be resolved if appropriate educational bodies at federal, regional and local levels provide assistance.

Here, the most common problems are the lack of funds, insufficient per diem allowances (travel, accommodation, etc.) and personal reasons (inability to leave home, business, etc.)

According to the State educational standard, the industrial experience is a constituent part of the content and is subject not only to a current but also to a final control of the training quality.

The status of trainees and students at enterprises is determined by appropriate regulations on probation work at enterprises which are stipulating the probation content and procedure, educational establishment and enterprise probation supervisors, safety measures, etc.

5 Bodies', Educational Institutions', and Enterprises' Cooperation in Training the unemployed and jobless Population

A special place regarding the cooperation in the field of training the unemployed and jobless population is given to the assistance in the determination of the content and ways of its realization, also including the elaboration of educational documents, and the determination and selection of the most effective training technology. Order is established in elaboration and approval of educational documents (curricula and programmes) for the area of training the unemployed and jobless population in occupations and professions, determined by the State's standard of the initial professional education and the All-Russian classifier of workers' and employees' occupations.

Professional education of the unemployed and jobless population includes different aspects of alterations in students' professional skills:

- improvement of skills in one's profession/ speciality;

- mastering new speciality/ specialization within bounds of one's profession/ speciality/ profile's broadening;
- mastering a new profession/ speciality based on one's profession/ speciality retraining, qualificational upgrading;
- mastering the professions of marketing infrastructure;
- mastering a new profession/ speciality without taking into consideration former professional experiments.

Personnel development/ training, retraining, and qualification upgrading of working staff/ of the unemployed and jobless population is realized on the basis of the Russian Federation Law "On Education", on the basis of the Russian Federation Law "On Employment of the Population in the Russian Federation", the corresponding resolutions of the Government of the Russian Federation as well as on the basis of normative documents of the Ministry of Education, the Ministry of Labour, and the Federal Employment Service of Russia (FSE).

In order to ensure the accordance of the contents of training for the unemployed and jobless population to the State Standard requirements of the initial professional education, the two-level technology of the elaboration of teaching and the programming documentation is set up.

On a federal level model teaching and programming documentation for different kinds of training of the unemployed and jobless population are worked out, which contain teaching elements, which shall ensure the transformation of a certain skill equivalent to personnel training in the Russian Federation.

On a regional level labour teaching and programme documentation are being worked out, based on teaching targets of federal contents of a specific professional education. They take into consideration the demands of the employers, technical-economical and social-cultural conditions of Russian Federation's Members, organized forms of personnel training, and the peculiarity of the group of unemployed and jobless people.

The Ministry of Education of the Russian Federation and the Federal Service of Employment of Russia confirm the requirements of model and labour teaching and programme documentation, corresponding to the methodological and terminological system of the State Standard requirements of the initial professional education.

Model teaching and programme documentation are worked out in a centralized form with the coordination of the Ministry of Education of the Russian Federation, the Federal Service of Employment of Russia, and their scientific-methodological organizations.

The Ministry of Education of the Russian Federation and the Institute for the Development of Vocational Training:

- work out under the order of the Russian Educational Centre of the Federal Service of Employment of Russia, the bodies of legislative and executive power/ vocational training/ of the subjects of the Russian Federation, the Federal Employment Service of Russia, and if necessary, operational teaching and programme documentation;
- make an examination of the teaching and programming documentation at the Commission of Experts of Vocational Training under the Ministry of Education of Russia;
- inform the executive education bodies, vocational training organs, the state and non-state education institutions, enterprises, companies, organizations carrying out vocational training of the unemployed and jobless population based on the curricula and programmes which have been worked out and affirmed;
- copy and spread model teaching and programming documentation all over the Russian Federation on a contractual basis;
- set up a programme bank of the initial vocational training which is intended for the professional teaching of the unemployed and jobless population.

The Federal Service of Employment of Russia, and the Russian Educational Centre of the FSER:

- propose the order of elaboration to the Ministry of Education of Russian Federation/ Institute for the Development of Vocational Training; in

some cases they themselves actually work out model teaching and programming;
- provide documentation for the professional training of the unemployed and jobless population, ensure that the professions are adequate to the requirements of the labour market;
- finance the working out, and if necessary the circulation of model teaching and programming documentation on a contractual basis;
- make an examination of the teaching and programming documentation at the Commission of Experts under the Russian Educational Centre;
- inform the bodies of the Service of Employment, State and none-State education establishments, enterprises, companies, organizations which undertake the professional training of the unemployed and jobless population about curriculum and programmes which have been worked out and affirmed;
- circulate and spread teaching and programming documentation under the order of the Services of Employment on a contract basis;
- set up the data bank of curriculum and professional training programmes for the instruction of the unemployed and jobless population.

After being approved, the model teaching and programming documentation get signature stamps from the Experts' Commission of the Vocational Training Centre under the Ministry of Education of Russia and the Experts' Commission for Examination of Teaching and Programming Documentation under the Russian Educational Centre of the FSER.

Operational teaching and programme documentation used for professional training, retraining, and qualification upgrading of the unemployed and jobless population are worked out on the base of a model at educational institutions dealing with vocational training of such a category of people, independently or on a contract basis; they are examined and affirmed by experts in the established order.

Regional employment bodies together with organs of education executive power/ of vocational education/ of subjects of the Russian Federation:
- determine educational elements of professional training of the unemployed and jobless population, the must to include teaching and programming documentation in the labour, taking into consideration regional/local/ social-economic/ industrial/ national/ demographic conditions as well as the migratory movement;
- carry out the examination of the labour curriculum and programmes in established order in accordance with model teaching and programming documentation, the demands of the State Standard to initial personnel training, and the recommendations of the Federal Service of Employment of Russia;
- settle the matter of circulation and the conditions of spreading of labour teaching and programming documentation.

6 Inductive Measures for promoting Cooperation between Educational Institutions and Enterprises at the Level of Training

The Russian Federation Law "On Education" grants tax privileges to enterprises, establishments, organizations, and individuals, including foreigners who invest in development of educational system of Russia.

Employers are responsible for personnel qualification upgrading. The Government establishes minimum financial expenditure norms for personnel training for enterprises.

In principle in the case of emergency the Government may implement inductive investments in cooperating enterprises and companies and also subsidize certain aspects of personnel training.

Usually an apprentice's salary is paid during personnel training in industry. The students and trainees of State educational institutions are paid grants.

Full salaries or apprentice's salaries are usually paid during personnel training. In addition, privileges as to real estate taxes are envisaged for the landlords who lease to educational institutions by the Law "On Education".

The cooperation mentioned above and others between the State and enterprises in industry personnel training contribute to the personnel development. However, careful monitoring is required

in this field for a continuity of education and a succession in training.

At all educational institutions of various levels intermediate control of the material studied and the State's final testing are envisaged.

The training of the working youth directly in enterprises allows to recognize the most trained and honest workers and to select them. This is another advantage for employers who organize such training.

The enterprise's opportunities to study their potential employees, the ability to influence them and their attitude to work, ethics, and aesthetics can hardly be overestimated.

A desire of students of various educational establishments to participate in such exchanges with enterprises can be supported by the provision of means of transportation which serve to help the workers commuting to work and training locations, and possibly by other privileges which an enterprise can provide to its potential employees.

7 Advantages and Arguments for such Cooperation

Cooperation between educational institutions and enterprises at the level of personnel development makes it possible to exchange knowledge and technologies, facilitates the implementation of joint research and projects, and contributes to a higher labour productivity of the company.

The production practice and probation work of the trainees at enterprises improves the quality of the training of the students and the forms and methods of training. It is very important, as it allows to revise programmes, training procedures, and methodology.

It is important to exchange knowledge and technologies which are especially significant for the enterprise.

More profound study of the experience of the enterprise by trainees and trainers will link closely both theoretical and practical knowledge and skills among the students. It will allow the trainers to improve the applied practical integrity of instruction on the basis of their fundamental education.

This is also assisted by the participation of enterprise personnel in training and education at vocational schools.

Training periods (probation, training practice) contribute to mutual knowledge sharing between trainers and trainees at enterprises.

Joint planning and cooperation of vocational training establishments and enterprises in research and implementation of joint projects contribute to the development by enterprise workers and teachers of vocational training, research, and application of knowledge and skills.

Cooperation facilitates to solve such cardinal questions as the revision and adaptation of training programmes for a quality and highly productive work and the mastering of knowledge and skills in newest theories and productive technologies by students.

8 Planned Results of Cooperation between Educational Institutions and Enterprises at the Level of Training

At present, one can hardly overestimate the role and importance of technical and professional training for the development of the economy and the growth of well-being. In the system of continuous education it is based on general education and is closely linked with it. At the same time, technical and professional education serves as a basics for all further levels of vocational training.

The role, importance, and cooperation should be further determined in the context of the continuous setting up of vocational schools and establishments at enterprises, their further cooperation, and other connected matters (i. e. cooperation of employment service research centres).

The effectiveness of research is determined by the way its subject-matter is directed to a revision and adaptation of the content of training programmes and of the training methods, and finally to a satisfaction of national needs, taking into consideration the national peculiarities and achievements in science and technology, what is also valuable for

the employment sphere. This will be facilitated by the analysis of the research results and their practical use.

The cooperation, which is evaluated by means of concrete subject studies (case studies) which illustrate the training periods performed by trainers and trainees at enterprises, serves to establish good and businesslike relations between the world of work and educational institutions.

The participation of enterprise personnel in teaching at vocational schools gives good perspectives to that personnel in the world of education, a fact which is very important for them and for the subject.

Cooperation and joint work on project complementation provide good possibilities for enterprises with regard of the most useful, highly-effective projects.

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